UNIVERSITY OF CALIFORNIA, SAN DIEGO

The Role of Religion and Ethnicity in an Arab American Economy

A dissertation submitted in partial satisfaction of the requirements for the degree Doctor of Philosophy

in

Sociology

by

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2013
The Dissertation of Kathleen Marker is approved, and it is acceptable in quality and form for publication on microfilm and electronically:

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Chair

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2013
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ABSTRACT OF THE DISSERTATION

The Role of Religion and Ethnicity in an Arab American Economy

by

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Marginalization is a common experience for immigrants and native-born minority group members as they seek to fight against alienation through understanding and gaining acceptance from the majority. In this dissertation I seek to clarify stratifying practices in the daily life of Arab American Christians and Muslims from three different ethno-national origins—Iraqi, Lebanese, and Palestinian. This dissertation examines how the ethno-national, panethnic (e.g. Arab American), and religious identities of Arab
Americans play out on a day-to-day basis through the case of Arab-American entrepreneurs who own businesses in Metropolitan Detroit.

This dissertation is based on over 100 interviews with Arab-American entrepreneurs and ethnic and religious organization leaders as well as nine months of observational work. First, I demonstrate that business networks among Arab Americans break along ethno-national and religious lines. Panethnic unity, while important in the political sphere, plays a minimal role in business. Next, I take a closer look at the reasons entrepreneurs provide for developing networks on the basis of ethno-national and religious identities.

The majority of research on ethnic entrepreneurs emphasizes the importance of ethno-national and panethnic bonds in business. Rarely does this research include an analysis of religious identities that is separate from ethno-national identities. I argue that once the role of religion within ethno-nationals is examined, entrepreneurs report developing ties on the basis of shared religious communities. By answering how Iraqi, Lebanese, and Palestinian American entrepreneurs might be connected through experiences of stratification in economic action, this dissertation suggests that ties formed on the basis of shared religious community function differently than those formed on the basis a shared ethno-national and panethnic communities.
CHAPTER 1: INTRODUCTION

INTRODUCTION

Social and economic theorists Mills (1951), Weber (1930), Schumpeter (1934), Mill (1848), and Marx (1848) all predicted the decline of small, independently owned businesses. Each questioned how small firms could persist in competition with larger, more powerful and efficient corporations. Extensive scholarship has explored the factors that have enabled the entrepreneur to persevere. Leading explanations tend to stress the importance of social capital (social networks established with others who can facilitate entrepreneurship and economic success) and ethnic capital (skills, knowledge, and relationships based on shared ethnic heritage). Rarely do researchers consider the influence of religious beliefs and relationships with religious others in the role of entrepreneurship.

This dissertation examines an Arab-American ethnic economy in order to explore the neglected influence of religion in entrepreneurship by asking how both ethno-

1 It is important to clearly define the small businesses owner and entrepreneur as there is much debate amongst sociologists, economists, and other academics about what separates the small business owner and entrepreneur from the rest of the population as well as if there is a difference between the entrepreneur and small business owner. Many different definitions of an entrepreneur and small business owner exist. For some (Carland et al. 1984), the entrepreneur is more innovative and has a higher risk-taking propensity than the small business owner and thus research on the two should remain completely separate. Here, the definition for the small business owner provided by the Small Business Association (SBA) is used. According to the SBA, a small business is independently owned and operated and not dominant in its field of operation. The entrepreneur is similarly defined in this research as a person who organizes and operates his or her own firm (Reynolds and White 1997; Baumol 1993; Brockhaus 1980). In divergence from Carland et al., the entrepreneur and small business owner are used interchangeably in such a way that does not compromising the authors' original usage of the terms.

2 Ethnicity and ethno-nationality, terms I use interchangeably in this dissertation, are difficult to define. An ethnic or ethno-national group is commonly defined as people sharing common national background or migration experiences (Cornell and Hartman 1988). Ethnicity is defined by common descent that can be tied to phenotypic similarities, customs, heritage, or geographic location (Weber 1968; Wade 1997; Cornell and Hartman 2007). This definition is problematic in this case as the national backgrounds of Arab
national and religious identities impact people’s abilities to turn an idea into a business and become a successful entrepreneur? Weber (1930) provides a clear answer to the question on the relationship between religious beliefs and entrepreneurship. For Weber, religious beliefs motivate entrepreneurship. The Reformation introduced the notion of a calling, or one’s moral obligation to fulfill worldly duties, and Calvinism promoted the idea of predestination. These religious doctrines sparked what Weber referred to as the Protestant ethic: the only way one could illustrate to others and oneself that one was a member of the elect was to accumulate great wealth through a fastidious work ethic. As a result, people began developing independent firms for the purpose of wealth accumulation. Weber considered these entrepreneurial efforts propelled by religious beliefs to be one of the leading components in the development of Western-style capitalism.

Americans have changed throughout the 1900s. I will discuss in greater detail how the complex history and migration experiences of Arab Americans influence their conceptions of ethnic identity in Chapter 2. In this dissertation, I conceptualize of ethnic entrepreneurialism, in accords with Waldinger, Aldrich and Ward (1990), as “a set of connections and regular patterns of interaction among people sharing common national background or migration experiences”.

The ethnic economy, according to Bonacich and Modell (1980) who first defined the concept, consists of the self-employed and their co-ethnic employees and unpaid family workers. In contrast, Portes and Bach (1985), following their study of Cubans in Miami, included the spatial concentration of immigrants and immigrant run businesses to the definition and relabeled it an ethnic enclave economy. Light (2000; 2005) has similarly proposed that distinctions should be made concerning ownership and control aspects within the ethnic economy. It is important to acknowledge the various distinctions that have been drawn regarding the ethnic economy. Here however, I use the concept of ethnic economy to discuss both the spatially clustered Arab-owned businesses as well as those Arab-owned businesses that have spread to suburban and urban areas outside the original historical enclave. I provide further descriptions of the regions in which these businesses are located in Chapter 2. Additionally, it is important to note that while the ethnic economy is typically defined as an economy of co-ethnic owners with co-ethnic employees and co-ethnic customers, the ethnic economy I am studying has non-Arab employees, customers, and network members. The diversity of these network members will be the focus of the dissertation.
More recent research has updated Weber’s classical study. Following Weber’s paradigm, Kwon (2003) argued that Korean Buddhists are able to achieve a higher socioeconomic standing in America than their Protestant counterparts due to the Buddhist belief in individualism. Using international survey data, Barro and McCleary (2003) discovered that countries with higher percentages of people who believe in heaven and hell have higher levels of economic growth. These findings demonstrate the importance of religious beliefs in economic life, but do not explain the mechanisms through which beliefs contribute to economic outcomes.

Furthermore, current scholarship on entrepreneurship rarely evokes Weber’s theory on the importance of specific religious beliefs in economic growth and entrepreneurship. Recent studies tie the success of the entrepreneur to social capital established through relations of social networks with others. Those entrepreneurs who form networks with previously existing business owners, suppliers, bankers, lawyers, etc. are more likely to be successful entrepreneurs (Johannisson 2000; Aldrich et al. 1986; Robinson 1982). The importance of social networks may be best illustrated in research on ethnic entrepreneurs. Ethnic entrepreneurship consists of interactions with others who share a national background or migration experience (Waldinger, Aldrich, and Ward 1990). Interactions can consist of co-ethnics providing loans, advice, employment, referrals, and discounts to one another. Ethnic bonds, or social networks established with co-ethnics, enable entrepreneurs to cut costs, create alliances, attract customers, and aid in hiring (Zhou 2009; Waldinger and Lichter 2003; Rauch 2001; Min and Bozorgmehr 2000; Min 1996; Waldinger, Aldrich, and Ward 1990).
These studies that highlight the importance of establishing relationships and communities with others are in direct opposition to the Weberian perspective that religious beliefs motivate economic actions. Social and ethnic capital theories stress the importance of solidarity in entrepreneurial success, while leading scholarship on religious beliefs points to individualism, competition, and anxiety in directing economic outcomes. Furthermore, Barro and McCleary (2003) theorize that religious organization participation can actually distract from money earning as countries with higher levels of religious participation have lower levels of economic growth.

In addition to neglecting to consider religious beliefs, the majority of the research that focuses on ethnic bonds does not acknowledge the influence of religious social networks. Similar to ethnic group membership, participation in a religious community can facilitate beneficial relationships, cultural traditions, social services, and economic support (Lim and Putnam 2010; Kim and Kim 2001; Ebaugh and Chafetz 2000; Hurh and Kim 1990; Min 1992; Goldscheider and Zukerman 1984). Considering the potential importance of religious-based bonds, it is possible that religion may alter entrepreneurship in a different way than Weber theorized. Yet, researchers of ethnic economies and immigrant religions also neglect to consider the independent role of religious communities and beliefs in the economic sphere (Yoo and Chung 2008; Cadge and Ecklund 2007; Min and Kim 2002; Kwon, Kim and Warner 2001; Ebaugh and Chafetz 2000). Those studies that do acknowledge religion often consider it an unremarkable component of the ethnic ties that bind individuals and conflate the two identities (Zhou 2009, 2005; Gilbertson 1995; Portes and Guarnizo 1991; Min 1988; Coleman 1988b; Portes and Rumbaut 1996; Portes and Bach 1985). Without
systematically analyzing the role of religion in the ethnic economy, it is likely that previous research has left religion under-theorized while overstating the contributions of ethnic bonds.

In this dissertation I explore the underexamined role of religion in ethnic entrepreneurship. I bring Weber’s theory of religious doctrine back into studies of ethnic entrepreneurs by combining an exploration of religious beliefs with an examination of religious-based relationships in economic action. In order to tease out and examine the important contributions of both religious and ethnic identities in entrepreneurship, I conducted interviews with immigrant and native-born Iraqi, Lebanese, and Palestinian entrepreneurs of Christian and Muslim faiths. I selected these two religious groups with members of three ethnicities because this design allowed for the diversity required for a separate examination (as much as possible) of the influence of both religion and ethnic identities on the entrepreneurial process.

There are three major findings from this study. First, ethnicity and religion both matter in economic activities, but in different contexts and for different reasons. Second, religion plays an influential role in the ethnic economy through religious capital (Iannaccone 1990), a set of skills, relationships, beliefs, and knowledge based on membership in a religious community that can alter economic outcomes. Entrepreneurs in this study develop beneficial business relationships based on religious identities. This finding suggests that previous research may have overstated the influence of ethnicity in the success of ethnic entrepreneurs.

Third, I explain the different role that religious identities play from ethnic identities in business actions among my subjects. I argue that religion includes shared
religious moral codes, a component that makes religion distinct from ethnicity. These religious moral codes provide business owners with a behavioral guide. If an entrepreneur does not follow these moral codes, interview subjects reported that he or she will face economic sanctions from the religious community, religious leaders, and divine religious authority. Religious-based moral codes make religious identities more salient in business because abiding by moral codes can mark a person as a trustworthy group member and contribute to economic profit.

Religious beliefs can be internalized, which encourages one to act according to moral codes (Durkheim [1912] 2001; Geertz 1973; Weber 1930). It is also possible that enforcement of these moral codes (Swidler 2001; Derné 1995) from the business community and religious leaders persuades people to adhere to these moral codes of behavior even if they do not personally believe in the importance of moral codes and the power of divine authority and religious leaders.

In the sections that follow, I discuss key concepts from this research and review leading explanations for the success of ethnic entrepreneurs. I further demonstrate how this scholarship neglects to independently consider religion. Using data from studies on religion, I make the case that religion should be a central focus in analyses of entrepreneurship. I conclude with an overview of the dissertation.

ETHNIC CAPITAL

Prior research on ethnic entrepreneurs demonstrates that ethnic minorities and immigrants are often able to establish successful businesses because of the benefits
provided by ethnic capital. Ethnic capital consists of relationships, knowledge, and skills based on membership in an ethnic group that can influence economic outcomes.

Light and Gold (2000) theorize that one way ethnic membership can provide economic gain is through offering a toolkit of skills and abilities linked to ethnicity. For example, learning Arabic can give someone the skills necessary to open up a language school, just as familiarity with Laotian hospitality and cultural norms can enable someone to open a hotel that caters to Laotian Americans and Laotian immigrants.

In addition to providing ethnic specific skills and knowledge, ethnic identities serve as the basis for the development of social relationships. While researchers highlight the value of weak ties in sharing beneficial information that can alter one’s economic outcomes (Burt 2004, 2001; Coser 1975; Granovetter 1973), ethnic capital is derived from tightly knit overlapping social relationships. Countless studies have suggested that ethnic bonds make it easier for business owners to establish and reap the benefits of social networks (Min and Bozorgmehr 2000; Min 1996; Greene and Butler 1996; Bonacich and Modell 1980). For example, co-ethnics may provide essential job training skills and information about job openings with other co-ethnics in their social networks, thereby increasing the economic position of the group (Waldinger 1986, 1984; Waldinger and Lichter 2003).

Relationships with others based on shared ethnic identity can also provide business startup funds, which is one of the leading challenges for entrepreneurs. Rauch (2001) discovered that relationships among Caribbean Americans enabled the sharing of beneficial business information about access to capital. Rotating credit associations are another example of how social networks with co-ethnics can ease business startup.
Rotating credit associations require members of the group to invest in others with the promise that these members will later contribute to their business ventures (Fukuyama 1995; Coleman 1988b; Light and Bonachich 1988; Granovetter 1985; Light 1972).

Light and Gold (2000) argued that one of the most valuable aspects of ethnic capital is that it cuts across class and educational lines. Co-ethnics of different educational and class backgrounds, who may not otherwise have an opportunity to interact, can establish relationships based on shared ethnic identity. Shared ethnic identity enables poorer members of an ethnic group to receive educational, business, or financial support from their wealthier counterparts. It is important to note that the forms and benefits of ethnic capital also vary by ethnicity. Boissevain et al. (1990) found that some ethnic groups were against using family or friends for business loans while others reported that such support from social networks was essential to business success. Additionally, some ethnic and immigrant groups have more resources to distribute than others.

Literature on ethnic capital does not systematically consider the influence of religious bonds or religious beliefs on the formation of beneficial business outcomes. To complicate the issue, studies assume that the two identities compound and reinforce one another (Min 2005; Kurien 2002; Bankston and Zhou 1995; Herberg 1955), which may help explain why so many literatures equate the two identities. One example of this complex relationship can be seen in Coleman’s (1988b) description of how social networks among Jewish diamond traders allowed them to temporarily exchange and inspect expensive gems without formal contracts or third-party monitoring, which saved costs and expedited business transactions. Coleman explained that if a trader replaced a
diamond with a fake, or misplaced stones, he could face sanctioning and lose his “family, religious, and community ties” (p. S99). Although Coleman does acknowledge that membership in the same synagogue can strengthen bonds, he does not mark any distinctions between the economically beneficial trust provided by religious beliefs and religious participation. Furthermore, Coleman does not distinguish between bonds and trust developed through social interactions in religious congregations, business organizations, families, and neighborhoods. Coleman’s discussion demonstrates that religion matters in economic exchanges, but does not explain how.

RELIGIOUS CAPITAL

Based on previous research on religion, it is likely that the religious content of ties has an influence on the entrepreneurial process. Religious institutions facilitate solidarity through worship services, group meetings, and social events. Being a member of a religious organization is associated with increased life satisfaction and beneficial relationships (Lim and Putnam 2010). Church membership provides psychological well-being, fellowship, social services, job information, economic support, and status for adult immigrants (Richman 2005; Kim and Kim 2001; Ebaugh and Chafetz 2000; Zhou and Bankston 1998; Min 1992; Hurh and Kim 1990; Goldscheider and Zukerman 1984; Warner and Sole 1945). Immigration also increases the saliency of religious identities and rates of religious group membership for many immigrants (Warner 1993; Hurh and Kim 1990). Immigrants may be more inclined to participate in faith-based organizations in America in order to take advantage of these beneficial social networks and services.
Yet, with rare exception (see Kwon 2003; 2008 on socioeconomic achievement and Hondagneu-Sotelo 2008 on unions) recent scholarship on religion in the lives of immigrant and ethnic populations also ignores the potential influence of religion in non-religious spheres such as workplaces. Research on religion and immigrant groups concerns a wide range of empirically and theoretically important topics, but does not systematically consider economic life and entrepreneurship (Yoo and Chung 2008; Cadge and Ecklund 2007; Min and Kim 2002; Kwon, Kim and Warner 2001; Ebaugh and Chafetz 2000).

Studies on the social, psychological, and economic benefits of religious membership suggest the importance of considering how these benefits might translate into success for business owners. It is likely that religious group membership may also serve as a form of capital similar to ethnic-based capital. Religious capital (Iannaccone 1990) consisting of beliefs, knowledge, and relationships developed through membership in a religious congregation can likely assist in entrepreneurial pursuits.

ETHNIC BOUNDED SOLIDARITY AND REACTIVE ETHNICITY

One of the reasons ethnic capital is so successful in bringing about economic returns is because of the mechanisms of bounded solidarity and reactive ethnicity. Bounded solidarity is a sense of group loyalty that is based on recognition of shared experiences and social positions among a limited number of group members (Portes 1998; Portes and Sensenbrenner 1993; Coleman 1990). Relatedly, reactive ethnicity is a response to marginalization and oppression that brings about a heightened identification with an individual’s ethnic background (Portes and Rumbaut 2001; Bonacich 1973).
The mechanisms of bounded solidarity and reactive ethnicity have been linked to the success of ethnic entrepreneurs. For example, in the case of bounded solidarity, once a group realizes that they have similar experiences, they share goals, which include sacrificing for one another for the betterment of the group. The group identity can be demonstrated in economic exchanges through loyalty towards supporting businesses owned by co-ethnics. Adversity and discrimination can further heighten bounded solidarity by increasing one’s ethnic identification with the group. Aldrich and Waldinger (1990) explain how discrimination in the form of economic exclusion from jobs or access to entrepreneurial resources can enhance the benefits of ethnic capital: “economic exclusion strengthens group cohesion, thereby increasing the density of ethnic networks, and in turn, increasing access to group resources” (118).

**Religious Bounded Solidarity and Reactive Religiosity**

Similar to research on ethnic capital, the majority of research on bounded solidarity and reactive ethnicity does not explore the potential role of religious discrimination in beneficial solidarity. It is likely that religion also serves as an identity around which people can develop tighter bonds when faced with discrimination or opposition. For example, religious Hindu students experienced a heightened sense of religious obligation and participation when faced with adversity (Kurien 2005). Smith (1998) and Warner (1993) similarly illustrate that when faced with increases in religious and cultural plurality, people develop more salient religious identities, and that conflict can lead to strong religious subcultures. Studies that focus on ethnic-based bounded solidarity and reactive ethnicity, like studies on ethnic capital, may have also conflated
religion and ethnicity. Only by looking at the separate influence of religious and ethnic identities can we determine how religious community membership and discrimination based on religious identities may further contribute to religious solidarities that can be used to facilitate economic activity.

LOGIC OF INQUIRY

METHODS

In order to better understand the relationship between entrepreneurship and religion, I conducted 102 semi-structured interviews with Christian and Muslim Arab Americans in Metropolitan Detroit. Ninety-three of these interviews were with immigrant and U.S.-born Christians and Muslims of Iraqi, Lebanese, and Palestinian descent who owned businesses in Metropolitan Detroit. I also interviewed seven religious and two ethnic organization leaders who served these business owners. I selected semi-structured in-depth interviews as the main method of inquiry in order to explore how people talk about religion, ethnicity, and business in their lives and communities. Recent studies of religion and economic action are mainly quantitative (e.g. Barro and McCleary 2003; Kwon 2003). These quantitative studies illustrate the importance of religion in economic outcomes, but they do not thoroughly explain how religious identities can contribute to economic outcomes.

To supplement these interview findings, I conducted participant observation over a nine-month period. Participant observation provided me with additional knowledge of Arab American culture and community life and increased trust among interview subjects. I attended community cultural events, prayer services at mosques and churches, and the social events of some respondents, such as engagement and dinner parties.
To assess the effects of religion and ethnicity, interview questions focused on how entrepreneurs started and ran their businesses and the challenges they faced in these endeavors. I asked about entrepreneurs’ religious and ethnic identities as well as how they saw these identities influencing their business success. The interview also included questions on language use, migration history, transnational activities, and membership in ethnic, religious, and business organizations.

To better understand the role of religion and ethnicity in social capital, I collected network data from each entrepreneur. I obtained information on each business owner’s ego-centered networks—those consisting of the relationships one business owner has with others (Knoke and Kuklinski 1982). Using techniques similar to those implemented by Fischer (1982) and Granovetter (1973), I asked each entrepreneur to name the three people most important to his or her businesses. When talking about each network member, I asked the business owner to provide the ethnic and religious identity of the individual, if they had not offered those data in previous conversation. I also collected demographic data on the entrepreneur’s suppliers, customers, employees, and those who helped fund the business.

Unfortunately, there was no list of Arab American businesses divided by ethno-national origin or religion from which I could conduct a random sample of businesses in order to acquire the necessary heterogeneity to tease out religious identities from ethnic identities. To ensure that my sample included business owners from three ethnic groups and two religious faiths, and to expand the number of networks I sampled, I recruited subjects through various methods. I selected entrepreneurs for this study through five
main avenues: personal and academic networks, cold calls to businesses, and referrals from other entrepreneurs, religious leaders, and two chambers of commerce.

Additionally, I interviewed seven religious leaders and two ethnic business organization leaders. In the interviews, I asked imams and priests about their views on the actions of the business community and whether business owners ever came to them for advice. I asked if business topics were covered in prayer services, sermons, or religious study groups. I interviewed members of the Arab American Chamber of Commerce and the Chaldean American Chamber of Commerce about the role of their organizations in the community. Several entrepreneurs belonged to or were leaders of ethnic specific heritage clubs and in these instances I also asked them about the role of these organizations.

I conducted the majority of interviews in the business owner’s office, conference room, customer waiting area, or while walking around the business. A few interviews took place at cafés, restaurants, and business owners’ homes. Often, I made visits to the business before and after interviews. Spending time at a business and conducting an interview there allowed me to make additional observations of the business owner and his or her employees, customers, and goods. Interviews ranged from thirty minutes to over three hours. All data from interviews were entered, coded, and analyzed with a combination of inductive and deductive coding schemes using computer assisted qualitative data analysis software, which facilitated the examination of the patterns discussed in the findings (Abramson 2009; Dohan and Sánchez-Jankowski 1998)
CASE SELECTION

In order to tease out the importance of multiple identities in business life, I sought out a diverse sample. Following comparative sample techniques similar to Kwon (2003) and Sabagh and Bozorgmehr (1994), I selected three different ethnic groups (Iraqis, Lebanese, and Palestinians) and two different religious groups (Muslims and Christians) (see Table 1.1).

Table 1.1: Completed Interviews

<table>
<thead>
<tr>
<th></th>
<th>Christian</th>
<th>Muslim</th>
<th>Total by Ethnicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iraqi</td>
<td>20</td>
<td>7</td>
<td>27</td>
</tr>
<tr>
<td>Lebanese</td>
<td>15</td>
<td>23</td>
<td>38</td>
</tr>
<tr>
<td>Palestinian</td>
<td>17</td>
<td>11</td>
<td>28</td>
</tr>
<tr>
<td>Total by Religion</td>
<td>52</td>
<td>41</td>
<td>93 total entrepreneurs</td>
</tr>
</tbody>
</table>

A religiously and ethnically diverse population enabled me to see how religion and ethnicity operate in business dealings. For example, does a Palestinian Muslim supplier work mostly with other Palestinian business owners regardless of their religious identities, or does she mainly network with Muslims regardless of their ethnic heritage? The sample included additional variation (see Table 1.2), allowing for the possibility that another form of identity, based on business coalition membership, pan-ethnicity, hometown associations, gender, year of migration, business type, etc. could have served as the primary identity in business actions.
Table 1.2: Sample Characteristics of the 93 Entrepreneurs

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Percentage</th>
<th>Mean</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender (N=93)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>14</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>79</td>
<td>85%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Education (N=79, data not available for 14 subjects)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High School or Less</td>
<td>27</td>
<td>34%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>College Degree</td>
<td>24</td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Degree</td>
<td>28</td>
<td>36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Age decade (N=93)</strong></td>
<td></td>
<td></td>
<td>40s</td>
<td>20s-60s</td>
</tr>
<tr>
<td>60s</td>
<td>12</td>
<td>13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50s</td>
<td>27</td>
<td>29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>40s</td>
<td>23</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30s</td>
<td>14</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20s</td>
<td>17</td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Immigration Status (N=92, data not available for 1 subject)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Immigration</td>
<td>1978</td>
<td>1945-2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Born here</td>
<td>33</td>
<td>36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Immigrants</td>
<td>59</td>
<td>64%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The entrepreneurs I interviewed were responsible for a diverse range of business ventures (see Table 1.3), from local hair salons and car repair shops, to nationwide grocery store chains and international construction and real estate companies. Some were born in the United States and had owned multiple businesses for forty years, while others had only recently arrived in the United States and opened businesses. The respondents also varied by education. Some entrepreneurs were the first in their families to graduate from high school or attend college. Other entrepreneurs were third-generation doctors or had served as political advisors for the U.S. government—all while running businesses in Detroit.
Table 1.3: Types and Numbers of Businesses owned by the 93 Entrepreneurs

<table>
<thead>
<tr>
<th>Business Type</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel</td>
<td>4</td>
</tr>
<tr>
<td>Baked Goods</td>
<td>2</td>
</tr>
<tr>
<td>Bar and Liquor Store</td>
<td>2</td>
</tr>
<tr>
<td>Book Store</td>
<td>1</td>
</tr>
<tr>
<td>Car Sales and Auto Repair</td>
<td>4</td>
</tr>
<tr>
<td>Cell Phone Stores</td>
<td>4</td>
</tr>
<tr>
<td>Distributors</td>
<td>3</td>
</tr>
<tr>
<td>Dry Cleaners</td>
<td>1</td>
</tr>
<tr>
<td>Educational Company</td>
<td>2</td>
</tr>
<tr>
<td>Engineering and Architecture Firm</td>
<td>2</td>
</tr>
<tr>
<td>Entertainment Company</td>
<td>2</td>
</tr>
<tr>
<td>Flower Shop</td>
<td>1</td>
</tr>
<tr>
<td>Grocery Store</td>
<td>5</td>
</tr>
<tr>
<td>Hair Salon</td>
<td>5</td>
</tr>
<tr>
<td>Home remodeling and Interior Design</td>
<td>1</td>
</tr>
<tr>
<td>Hotel</td>
<td>2</td>
</tr>
<tr>
<td>Inventor</td>
<td>1</td>
</tr>
<tr>
<td>Jewelry Store</td>
<td>1</td>
</tr>
<tr>
<td>Law Firm</td>
<td>8</td>
</tr>
<tr>
<td>Media and Advertising Firm</td>
<td>6</td>
</tr>
<tr>
<td>Medical and Dental Clinic</td>
<td>8</td>
</tr>
<tr>
<td>Parking Lot and Building Management</td>
<td>3</td>
</tr>
<tr>
<td>Pharmacies and Medical Supplies</td>
<td>2</td>
</tr>
<tr>
<td>Photographer</td>
<td>1</td>
</tr>
<tr>
<td>Real Estate &amp; Building Company</td>
<td>4</td>
</tr>
<tr>
<td>Restaurant, Café, Meat Market</td>
<td>17</td>
</tr>
<tr>
<td>Small Good Retail</td>
<td>2</td>
</tr>
<tr>
<td>Tax and Accounting</td>
<td>2</td>
</tr>
<tr>
<td>Travel Agency</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Number of Businesses</strong></td>
<td><strong>99</strong></td>
</tr>
</tbody>
</table>

All interviews were conducted predominantly in English. A research assistant, who spoke Arabic and whom I trained in interview techniques, accompanied me to roughly half of the interviews, including all interviews with more recent immigrants, in order to translate questions and answers if a need arose. This assistant also translated conversations in Arabic that occurred among customers, employees, and entrepreneurs.
I selected Arab American entrepreneurs for this study because this group contained the necessary religious and ethnic diversity, which allowed me to examine the independent influence of religion and ethnicity. Furthermore, Arab Americans in Detroit are highly entrepreneurial and the area boasts one of the largest and densest populations of Arabs outside the Middle East.

Recent research on Arab Americans concerns a number of important topics, such as political identities and citizenship (Baker et al. 2009), post-9/11 experiences (Abraham, Howell, and Shryock forthcoming; Cainkar 2009; Jamal and Naber 2008; Howell and Shryock 2003), gender and labor force participation (Read 2004), life course issues (Ajrouch 2007, 2004), emigration control, and transnationalism (Marker forthcoming; Naber 2009; Brand 2006). Yet, none of this important scholarship provides a thorough and systematic engagement with Arab American economies, despite Arab Americans’ high rates of entrepreneurship and the wide range of other ethnic economies that have been explored (see Zhou 2009 and 2005 on Chinese; Rauch 2001 on Caribbean and African Americans; Min and Bozorgmehr 2000 on Koreans and Iranians; Guarnizo and Diaz 1999 on Colombians; Portes and Bach 1995 on Mexicans and Cubans; Min 1988 on Koreans). This dissertation expands our knowledge of Arab Americans, but it is anticipated that these findings will be generalizable to other religiously and ethnically diverse populations both in the United States and abroad, especially as religious heterogeneity and saliency is increasing in many regions (Levitt 2007).
OVERVIEW OF THE DISSERTATION

I begin by presenting a historical picture of Arab American immigration in Chapter 2. I discuss the cultural, economic, and community lives of Arab Americans in Detroit. I also include an overview of the religious, business, and ethnic organizations in the community. The relationship between these organizations and entrepreneurship will be further detailed in the subsequent chapters. In the second half of Chapter 2, I also explain how I situated myself in this community to conduct the research. I describe my research experiences including how I gained access to the community, recruited subjects, and dealt with my lack of Arabic language skills.

In Chapter 3, I begin to introduce my interview data. Engaging with literature on ethnic identity formation, reactive ethnicity, and panethnicity, I explore Arab American entrepreneurs’ reports on the influence of ethnic identities in their business lives. Entrepreneurs acknowledge a hostile political climate and religious and ethnic discrimination. This oppression brings about panethnic solidarity among Iraqi, Lebanese, and Palestinian Americans based on their shared Arab American identity in some contexts, but prevents panethnic solidarity in others. Contrary to literature on panethnic bonds and solidarity serving as a form of capital in entrepreneurship, subjects did not develop networks with panethnic others and reported distancing themselves from the panethnic Arab American label. Instead they stressed ethno-national identities and networked with ethno-national others.

After learning that entrepreneurs do not form networks on the basis of panethnicity, but rather ethno-nationality, Chapter 4 looks at the role of religion within these networks that form along ethno-national lines. This chapter is concerned with how
entrepreneurs view their religious identities and how these identities alter business actions. In answering these two questions, I draw on literatures examining religion, economic sociology, and social capital. This chapter helps to explain why panethnic bonds might not function as hypothesized. I show that entrepreneurs explain that social networks and the beneficial mechanisms that flow from them, such as bounded solidarity, information sharing, enforceable trust, and moral codes are all developed along religious lines. Furthermore, I argue that business owners report using these forms of religious capital because shared religious moral codes, which are enforced by religious leaders and a belief in divine religious authority, provide extra security that business dealings done with religious others will not be plagued with malfeasance.

In Chapter 5, I explore the role of kinship in entrepreneurship. Literature on ethnic economies rarely examines how the bonds between family members might further enhance the success of ethnic economies. To extend the argument I developed in Chapter 4, this chapter not only examines the role of families within ethnic bonds, but also the role of religion within family bonds. Entrepreneurs stress the importance of family in business startup, daily operations, and expansion as well as the importance of shared religious communities in both business and marriage relationship.

With Chapter 6 I turn to the global perspective and discuss the transnational business ventures of these entrepreneurs in the Middle East. Arab Americans report being limited in their overseas business investments and charitable donations due to political constraints and instabilities in both the United States and abroad. I discuss the creative coping mechanisms that some entrepreneurs have developed to bridge the political barriers. Despite these techniques, it is likely that Arab American entrepreneurs
are more limited in their overseas investments than other groups, which I suggest has implications for both the Middle East and Metropolitan Detroit.

I conclude the dissertation in Chapter 7 by illustrating how these findings can be incorporated into future studies in the fields of immigration, ethnicity, religion, entrepreneurship, and business. Religious membership proves to be a form of capital as important as ethnic capital, one that should be explored in future studies of economic action. Analyzing religious capital in the noneconomic sphere, such as educational, political, and transnational activities, will also be an important pursuit for future research and will fill lacunae in preexisting scholarship. I discuss potential future directions for work on both ethnic and non-ethnic economies.
CHAPTER 2: COMMUNITY OVERVIEW

INTRODUCTION

The term Arab is a panethic category that includes ethnic groups from twenty-two countries that consist of the Arab League of Nations. This dissertation focuses on the three largest groups of Arab Americans residing in Metropolitan Detroit, Michigan—Iraqis, Lebanese, and Palestinians. In the early 2000s, the Detroit Arab American Study (DAAS) and the Detroit Area Study began a large survey of the Arab population in southwestern Michigan and estimated the population of Arab Americans in 2010 to be around 200,000. According to the DAAS results, 37 percent of Arab Americans in Detroit report Lebanese/Syrian heritage. People reporting to be of Iraqi descent are the second most common group at 35 percent of the total Arab American population in Metropolitan Detroit. Finally, people of Palestinian/Jordanian heritage represented 12 percent of the total population (Baker et al. 2009:40). Similarly, 41 percent of my respondents identified as Lebanese, 29 percent as Iraqi, and 30 percent as Palestinian.

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4 It is difficult to determine exactly how many Arab Americans there are residing in the Detroit area. Estimates from studies range from 100,000 to 500,000. The U.S. only began collecting data on Arab ancestry in 2000 on the long form of the census, which is only sent to 1 in 6 households. Moreover, as with all ethnic groups there is much diversity in understandings of what it means to be Arab and who fits into this category which has added to the challenges of counting Arab Americans. Additionally, some scholars argue that Arab Americans have been fearful of reporting Arab heritage because of the use of these statistics by the government’s Homeland Security (David 1999; Hassoun 2005).

5 These categories are linked as the national lines drawn between these nations have changed throughout the 1900s.

6 These nationalities are combined by the survey as many Palestinians relocated to Jordan before moving to the United States. Many Palestinians had lived in Jordan after being expelled from their homes and land in 1948 and had established Palestinian-Jordanian ethno-national identities.
Figure 2.1: Country of Origin Based on DAAS Data
Source: Baker et al. 2004

Figure 2.2: Ethno-national Origin of Research Sample
Source: Marker 2013
ARAB MIGRATION

Events in the Middle East and migration policies in the U.S. have pushed and pulled these large populations of people from Iraqi, Lebanon, and the Palestinian Territories and have continuously shaped and reshaped the landscape of Detroit’s Arab American population. Immigration from Arab countries slowed during the Great Depression and WWII only to pick up again with immigration reforms in the 1960s. Immigration increased throughout the 1990s and came to a quick halt in 2001 (Hassoun 2005). Events in the Arab world have also influenced the flow of migrants. Wars, violence, and political disputes have propelled many Arabs to seek opportunities in the United States. Furthermore, as Arab immigrants have established jobs and communities, they have encouraged the migration of friends and family members. The first half of this chapter explores the immigration histories of Iraqi, Lebanese, and Palestinian immigrants and how they have shaped Metropolitan Detroit through the establishment of businesses, neighborhoods, religious centers, and ethnic organizations.

The first Arab immigrants to come to the United States were Maronite Christians who migrated from the Mount Lebanon region in the Ottoman Empire (following WWI, this area was part of Syria, but is now considered part of Lebanon). For this reason, many descendents of these early Arab immigrants consider themselves Syrian, Lebanese, or Syrian-Lebanese. Lebanese immigrants were not only pulled to the United States by economic opportunities, but violence and famine also pushed many immigrants to seek migration opportunities. Beginning in the 1860s, Maronites living in the Mount Lebanon region had violent conflicts with Muslim Druze who also lived in the area. Additionally, the residents of Mount Lebanon suffered great famines during WWI. After watching
entire families starve, many were motivated to find other options, even if it meant leaving one’s homeland and immigrating to the United States.

Events in the Middle East also drew large populations of Palestinians to the United States. Christian and Muslim Palestinians began coming to Detroit in the 1930s (Seikaly 1999), but the majority of Palestinians who arrived in the Detroit area came after 1948. With the establishment of the state of Israel in 1948, the end of British rule, and the violence that preceded this development, over 500,000 Palestinians fled or were expelled from their lands. Both Sunni Muslims and Orthodox Christians arrived from Palestine to Detroit following 1948. The majority of Palestinians in Detroit migrated from Ramallah and Beit Hanina (Hassoun 2005).

A second wave of major Lebanese migration began in the 1970s due to the Lebanese Civil War (1975-1990) as well as the invasion of Israel in South Lebanon in 1978 and 1982. In 1943, Lebanon obtained independence from the French and established a government and constitution to reflect the nation’s religious diversity. Maronite Catholics were guaranteed the presidency while Muslim Sunnis and Shi’ites were ensured roles as prime minister and speaker of the parliament respectively. Many felt each religious group received unequal power. Unlike the first wave of Christian Maronites, the second wave of Lebanese Migrants who began migrating to Detroit in the 1970s were mainly Shi’ite Muslims from Southern Lebanon (Hassoun 2005).

Iraqi migration began much later than Palestinian and Lebanese migration. The first groups of Iraqis to migrate were Iraqi Catholics, also known as Chaldeans, who began migrating to the United States between 1960 and 1980. It is estimated that the Chaldean community in Metropolitan Detroit grew from 3,000 to 20,000 between 1960
and 1980 (Orfalea 1988: 178). Some scholars argue that this increase was due to a rise in religious fundamentalism, while the majority of Iraqi respondents in this study reported joining families in Detroit for economic advantages. The majority of Chaldeans migrated from the village of Tel Kaif and surrounding villages (Hassoun 2005). Several of my Iraqi interview subjects also reported living in Baghdad before migration.

The second wave of Iraqis came to the United States following conflicts resulting in the Iran-Iraq War 1980-1988, the Persian Gulf War 1990-1991, and the Iraq War that began in 2003. Many Iraqi Muslim Shi’ite from Southern Iraqi often opposed Saddam Hussain and ended up fleeing the country as a result. These Iraqi Muslims frequently settled in refugee camps before migrating to Detroit. Many who migrated from refugee camps or spent time in prisons in Iraq have required both mental and physical assistance upon arrival to the United States (David 1999). Similarly, the 2003 invasion of Iraq has continued to bring both Christian and Muslim Iraqis to Metropolitan Detroit, many of whom have suffered psychological and economic hardships.

**WHY METROPOLITAN DETROIT?**

People often wonder why so many Arab immigrants selected Detroit to make their home. It is important to note that the first Arabs who arrived in the United States in the 1870s were commonly single men who migrated with the intention of earning and saving enough money to bring their families to the United States, or returning to the Middle East with substantial savings (Rignall 2000). Early Arab immigrants often found work as peddlers, selling wares throughout the U.S. in areas as varied as Ohio, Montana, Florida,
and California. At this time, Arabs were also moving to Australia, West Africa, and parts of South America to work as peddlers (Rignall 2000).

It was not until the industrial core of America grew in the late 1800s and early 1900s that Arab Americans began to travel directly from Ellis Island to large industrial towns such as Detroit, Pittsburgh, Boston, or Chicago to seek work in automobile, steel, food, and clothing production factories. These jobs required few skills and little knowledge of the English language, which made industrial jobs ideal for many immigrant groups beyond Arabs. Factory positions provided fairly high wages and consistent work, especially as the power of unions increased throughout the 1900s. Even after only a few days in the United States, many interview subjects reported people being able to find employment and relocate to industrial towns. Word of job opportunities spread to friends, family, and neighbors creating a successful chain migration of Arabs to Detroit.

NEIGHBORHOODS

Today Arab Americans in Metropolitan Detroit can be said to live in two different zones (Baker 2009). The first zone, consisting of areas of Detroit and Dearborn is the original area where the majority of Arab immigrants settled and has a rich history and strong ethnic enclave. The second zone consists of suburbs of Detroit and Dearborn.

ZONE ONE

When early immigrants settled in Metropolitan Detroit, they commonly lived in communities located next to production facilities. Henry Ford built many communities in the Detroit and Dearborn areas specifically to house his automobile production workers.
As the auto industry in Detroit began to decline in the 1970s, so did residential patterns in Detroit (Sugrue 1997). Whites often left small bungalows in the city of Detroit and moved to Detroit’s Northern and Western suburbs. Whites moved out of businesses and homes at a time when more Arabs were migrating to the United States, which enabled Arab immigrants to take over businesses and buy homes in Detroit and Dearborn.

Arabs who moved to the city of Dearborn in zone one created a dense ethnic community. Dearborn, especially the Eastern section of the city can be described as an ethnic enclave (Portes and Bach 1985), or an area with a dense and high ethnic population. In many neighborhoods, home after home in Dearborn is Arab-owned and occupied. Arabic is commonly spoken on the streets, at community gatherings, and in businesses. Arab news programs are broadcast on TVs in doctor’s waiting rooms and restaurants.

Arab immigrants were attracted to the ethnic enclave in Dearborn where other Arabs lived not only because they could receive support adjusting to the United States, but also because it was easier to maintain their culture and traditions. Communities with large Arab American populations often provided immigrants with Arab American organizations, churches, and mosques, as well as stores and restaurants that sold ethnic specific products and traditional foods. Living in an Arab American ethnic enclave also enabled many Arab immigrants and their children to maintain their Arabic language skills.

Dearborn is also home to the community’s leading political, social, and economic pan-ethnic Arab American organizations. The Arab Community Center for Economic and Social Services (ACCESS) opened in 1971 in Dearborn. ACCESS offers a wide
range of programs for the Arab American community ranging from mental health services to job fairs. Additionally, Dearborn is home to the Arab American Chamber of Commerce, an organization that represents the needs of Arab-owned businesses and provides networking for Arab American entrepreneurs. *The Arab American News*, a national paper that was established in 1984, is headquartered in Dearborn. *The Arab American News* highlights stories on events in the Middle East, Metropolitan Detroit, and the United States and is published in both Arabic and English. Furthermore, heritage clubs for Iraqis, Palestinians, and Lebanese (along with other Arab ethnic groups who reside in this area) are based in Dearborn. Political events, political protests, and the yearly Arab American festival all take place within the ethnic enclave of Dearborn. For example, according to Naber (2009), the 2006 war in Lebanon attracted the attention of several ethno-national Arab American groups in Detroit. Arab Americans of various ethno-national backgrounds joined war protests and led anti-war organizations to draw attention to and combat the violence in Lebanon—despite migrating from or tracing their heritage to other countries in the Middle East.

Furthermore, Dearborn is home to a dense network of Arab American-owned businesses. The area fits Bonacich and Modell’s (1980) definition of an ethnic economy, as businesses are owned and staffed by Arab Americans serving a largely Arab American population. Many businesses in Dearborn have signs in Arabic and English, and often sell ethnic products (e.g. food, clothes, music) to ethnic populations. Arab Americans from other parts of the country even report traveling to Dearborn to obtain goods from the Middle East that are only available from businesses there.
Detroit, the other major city in zone one, is home to many Arab Americans and Arab businesses. However, the landscape of Detroit is significantly different from Dearborn. While there are sections of the city of Detroit with dense populations of Arab Americans who live and work in the city, it is no longer densely populated by Arab Americans and cannot be considered an enclave like Dearborn.

Historically, many Iraqis, Lebanese, and Palestinians opened small stores that sold alcohol and sundries in the city of Detroit. Some stores sold sandwiches or other hot foods if they were located near industrial areas where workers would come for lunches and dinners. With the investment of long hours, and the help of other family members, these small stores proved profitable for many Arab American families. Furthermore, owning small corner stores did not require advanced training or English language skills making these jobs ideal for immigrants. Interview subjects often reported that upon arriving to Detroit between the 1960s and 1970s, their options were either to work in the automobile industry or a small liquor and sundries store.

Following deindustrialization, many of the businesses in Detroit now service deflated and isolated communities and a mainly African American clientele. The middlemen minority theory (Bonacich and Modell 1980) best describes this relationship. Middlemen minorities often move to an area in which they are a minority or out-group in order to make money off the host society or majority population, working long hours and living in poverty in order to increase profits, and then return to their home country. Often times, middlemen minorities are described to have antagonistic relationships with the host society (Waldinger 1990). Arab Americans in Detroit are more settled in the U.S. than other groups of middlemen minorities have been, but nevertheless profit from a
community in which they are not ethnic or racial members and with whom they often maintain antagonistic relationships.

In many neighborhoods, Arab American-owned businesses are the only stores, aside from gas stations, where Detroiters can buy food and drinks, and sometimes they are the only business in the entire neighborhood. The fact that Arab Americans own successful stores in predominantly African American neighborhoods throughout Detroit has spurred resentment in a city with high levels of crime, poverty, and discrimination. Over the last 50 years, Arab American storeowners in Detroit have experienced or witnessed armed robberies, firebombing, beatings, and murders. Arab Americans with the financial means typically live in Dearborn or surrounding suburbs and commute to Detroit for business purposes. Based on my fieldwork and observations, Arab Americans who remain in the city of Detroit are commonly recent immigrants, or others who lack the financial resources to move out. These Arab American entrepreneurs who remain in the city live in the vicinity of (commonly directly above) their businesses.

My observational data of Dearborn and Detroit conforms to Baker et al.’s (2009) survey of the demographics of Arab Americans in zone one. Survey results from the DAAS describe zone one as an area with more immigrants who are likely to identify as “other” rather than members of a “white” racial category and an area in which more Arabic is spoken. Residents in zone one have lower levels of income and education. Another important distinction is that zone one has more members of Muslim faith than residents of zone two (Baker et al. 2009).
ZONE TWO

The second zone consists of Arab Americans who have dispersed into suburban neighborhoods of Metropolitan Detroit. Generally, as the economic condition of Arab immigrants has improved and second and third generation Arab Americans have obtained professional occupations, many Arab Americans have moved out of ethnic enclave of Dearborn and Detroit. Some suburban neighborhoods contain significant Arab American populations, while others may only have a few Arab American families, or no Arab Americans at all. The political, social, and economic heart of the Arab American community is in Dearborn, and many suburban dwellers return to Dearborn and Detroit to shop, attend events, worship, and work. Yet, it is important to note that churches, mosques, and cultural centers that serve Arab Americans and several Arab-owned businesses have opened in these Metropolitan Detroit suburbs.

According to DAAS results, the majority of Arab Americans (70%) live in zone two, but are much more geographically dispersed than Arab Americans in zone one. Zone two is more likely to have Arab American residents who identify according to a white racial category, have spent more time in the U.S., and are American-born than zone one. These findings conform to other studies of immigrants (Alba and Nee 2003). Furthermore, as is common with suburban versus urban dwellers, Arab Americans who live in zone two earn more, are better educated, and speak English better. Arab Americans in suburbia are more likely to be members of the Christian faith.

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7 These neighborhoods can be found mainly in the cities of Southfield, Sterling Heights, Troy, Bloomfield Hills, St. Clare Shores, Westland, Livonia, Farmington Hills, Northville, Livonia, Westland, and Ann Arbor.
RELIGION AND ETHNICITY IN ZONES ONE AND TWO

As religious and ethnic identities are the focus of this dissertation, it is necessary to provide more depth about the religious and ethnic histories of these two zones. Metropolitan Detroit has a rich religious history. As the numbers of Arab American migrating to Detroit increased and more ethnically and religiously diverse groups migrated, the area has been able to support more religious organizations. A community that began with mainly Maronite Lebanese Christians has grown over the years to include more Muslims and people from Iraqi, the Palestinian Territories, Jordan, Egypt, and Yemen, among other countries and regions.

The first mosques and churches that served Arab immigrants were built in Detroit in the 1920s (David 1999) and religious organizations quickly multiplied. By the 1930s, there were both Sunni and Shiite mosques in Dearborn (Reginall 2000). However, these early Arab immigrants had fewer religious organization options, and as a result there was more overlap in religious participation between different religious groups. For example, research demonstrates that it was not unheard of for Sunnis to worship with Shias (Howell 2000) and Maronite Catholics to worship with Chaldean Catholics (Terry 1999). As the Arab American population increased and with it the size of religious groups, this overlapping religious participation became unnecessary as various groups established their own churches and mosques. Research also suggests that as tensions in the Middle East among Sunni and Shia groups increased, religious participation among the larger community of Muslims declined (Howell 2000).

Today, roughly half of the Arab American population in Detroit (about 58 percent) is Christian and half Muslim (42 percent) (Baker et al. 2009) (See Figure 2.3).
Fewer than one percent of Arab Americans in the DAAS did not affiliate with either Christianity or Islam. This religious representation is different from the U.S. and Middle East at large. On a national level, two-thirds of the Arab American population in the U.S. is Christian (Read 2004 a and b; Zogby 2002), while over 95 percent of Arabs living in the Middle East are Muslim (Baker et al. 2009).

There is significant diversity within the larger categories of Muslim and Christian for Arab Americans in Detroit. The majority of Christians are Catholic (42 percent) followed by Orthodox (14 percent) and Protestant (2 percent). For Muslims, the majority group is Shi’a (23 percent) while Sunni is the minority (15 percent).

Figure 2.3: Religion based on DAAS Data
Source: Baker et al. 2004

Iraqis, Lebanese, and Palestinians included in this research similarly reflected these larger population descriptions (see Figure 2.4). These sects or denominations of Christianity and Islam vary by country of origin as well. Table 2.5 provides a summary of the
predominant religious affiliations for Iraqis, Lebanese, and Palestinians included in this research.

![Religion Pie Chart]

Figure 2.4: Religion of Research Sample
Source: Marker 2013

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Christianity</th>
<th>Islam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iraqi</td>
<td>• Chaldean (Catholic)</td>
<td>• Shia</td>
</tr>
<tr>
<td>Lebanese</td>
<td>• Maronite (Catholic)</td>
<td>• Shia</td>
</tr>
<tr>
<td></td>
<td>• Greek Orthodox</td>
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<td></td>
<td>• Anitochian Orthodox</td>
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<td></td>
<td>• Syrian Orthodox</td>
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<td></td>
<td>• Melkites (Catholic)</td>
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<tr>
<td>Palestinian</td>
<td>• Greek Orthodox</td>
<td>• Sunni</td>
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<tr>
<td></td>
<td>• Antiochian Orthodox</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Roman Catholic</td>
<td></td>
</tr>
</tbody>
</table>

Table 2.5: Ethno-nationality by Predominant Religious Affiliations

According to the DAAS data, the Arab Americans who have moved to Detroit Metropolitan suburban zone two are mainly Christian, yet there are several Arab
American mosques in suburban Metropolitan Detroit. Likewise, there are Arab American churches in Detroit and Dearborn.

**CHALDEANS**

Baker et al. (2009) argue that a case could be made for an additional zone in the landscape of Arab Americans in Metropolitan Detroit based on the unique ethnic and religious identity of Iraqi Christians. Nearly all Iraqi Christians included in this study considered themselves members of an ethno-religious group referred to as Chaldean. Chaldean is a term that subjects used to define their language, ethnic group, and religion. Chaldeans are Catholics who speak Aramaic and Arabic. Some interview subjects considered this ethno-religious identification to be non-Arab and separate from the Iraqi ethno-national group—despite having lived in, and migrated from, Iraq (a nation that is a member of the Arab League). Many Chaldean leaders considered their communities distinct enough from the larger Arab group, that they established separate ethno-religious organizations, such as the Chaldean Chamber of Commerce, or asked for separate identifying markers to be used when they are aligned with other Arab Americans, as is the case with the Arab American Chaldean Council. Chaldeans are also listed as a separate group from Arab Americans in the DAAS results. Yet, Chaldean is not necessarily distinct from Arab America. Interview subjects reported a strong Chaldean identity, but also stressed maintaining an Arab and Iraqi identity simultaneously. Other Chaldeans noted this identity and ethno-religious history, but found the efforts of leaders to distinguish Chaldean from Arab unfortunate.
There are important empirical and theoretical benefits that emerge from this project comparing three different ethno-national groups and two different religious groups. However, this task is not without its challenges, as ethno-national and religious groupings are not easily defined and neatly categorized, as is most clearly demonstrated with the case of Chaldeans. To address this complexity, interviews allowed subjects to describe their identities and discuss the complexities of religious and ethnic communities, as will be demonstrated in subsequent chapters. I use the term Arab American throughout this dissertation for the sake of simplicity to refer to all interview subjects, but it is important to note that not all subjects identified primarily as Arab American. Some Chaldeans protested the use of Arab American as an identifier. It is also important to note that Lebanese and Palestinian Americans who were both Muslim and Christian also preferred not to be identified as Arab Americans. I will discuss the complexity associated with this term in the chapter that follows.

DIVERSION AND OVERLAP IN ARAB-NESS

In addition to the complexity of religious and ethnic identities that surrounds Iraqi Catholics or Chaldeans, other ethno-national groups included in this study had complex identities and histories. Many Palestinians had lived in Jordan after being expelled from their homes and land in 1948 and had established Palestinian-Jordanian ethno-national identities, which is why DAAS combined these two categories in their survey. Some interview subjects had parents of mixed ethno-national origin and constructed unique identities based on this pan-Arab mix, although interview subjects reported that it was common to identify with one’s paternal ethno-national lineage. The dividing of the
Middle East also altered subjects’ ethno-national identities especially in the case of Syria and Lebanon. Many interview subjects reported Lebanese ethno-national identification but acknowledge that their ancestors had lived on land that, while now part of Lebanon, was once Syria. This data further demonstrates the flexibility of ethno-national identifications and how these identities can be socially and politically constructed.

Considering the challenges of identification and the multiple religious and ethnic identities people can adapt some might argue that these Iraqi, Lebanese, and Palestinian Americans of Christian and Muslim faiths are too diverse to be compared. Furthermore, Baker et al. (2009) acknowledge that class, educational, generational, and geographic differences—not just ethnicity and race—between zones one and two make residents of these two communities very distinct.

Yet, my research suggests more ethnic diversity of Iraqis, Lebanese, and Palestinian entrepreneurs between these two zones. A visual representation in this ethnic diversity is seen in Figure 2.6. Businesses owned by Iraqis, Palestinians, and Lebanese entrepreneurs are spread throughout zones one and two.
The religious identities of entrepreneurs was less diverse (see Figure 2.7), but nonetheless further demonstrated the existence of Muslim businesses in addition to mosques and
residences in zone two while there are Christian-own businesses, residences, and churches in zone one.

Figure 2.7: Detroit Businesses by Religion
Moreover, observational and interview data from this research in addition to historical trajectories and survey data from DAAS demonstrate similarities between Arab Americans in Metropolitan Detroit and significant interactions despite these differences. For example, 70% of respondents in the DAAS study call themselves Arab American (Baker et al. 2009) and stood united on wanting the American public to better understand this identification in order to reduce the discrimination and stereotypes they experienced. Baker et al. 2009 put this best when they write: “The existence of Arab Detroit of at least two distinct zones of identity formation has not resulted in a polarized, functionally divisive community. Instead these populations are held together by a cohesive sociopolitical matrix.” (Baker et al. 2009: 60).

In the remainder of the dissertation, I explore what Baker et al. (2009) refer to as a sociopolitical matrix of Arab-ness while focusing on entrepreneurship. I explore how the political and social experiences of Iraqi, Lebanese, and Palestinian Christians and Muslims influences the economic sphere in hopes of better understanding how these identities and groups are stratified and influenced by economic exchanges.

**RESEARCH EXPERIENCES**

With an overview of the community established, I now turn to a discussion of how I situated myself within this community in order to conduct interviews and observations about the role of the religious and ethno-national identities across Metropolitan Detroit Arab American businesses. I discuss how I found Dearborn, coped with my lack of Arabic language skills, recruited subjects to interview, and convinced people to participate. I also explore how post-9/11 monitoring and interviews impacted
my interview experiences (The post 9/11 experiences of my subjects are explored in
greater depth in Chapters 3 and 6.). Finally, I conclude by explaining my living
experiences in zones one and two and how I managed my identity while in the field.

FINDING DEARBORN

I began exploring the possibility of doing research on Arab Americans in Detroit
in the Summer of 2007. I was first exposed to this community in high school. I had a
friend who was Lebanese American and on weekends I would sometimes accompany her
family from the Northern suburb of Detroit where she lived (zone one) to the ethnic
enclave of Dearborn (zone two). Once in Dearborn, her family would visit her aunts,
uncles, and cousins, eat Lebanese food, and shop for Arab baked goods and groceries.

My friend’s father owned a successful business with several branches and in
many ways he represented an immigrant success story living in one of the wealthiest
cities of its size in the U.S. after leaving Lebanon during war in the early 1980s. His
family members in Dearborn were also business owners, but relatively less successful
more recent immigrants. This large extended family matched the general demographic
descriptions of the residents who occupy zones one and two.

In graduate school, I became interested in ethnic economies and religious and
ethno-national identities. I remembered the unique community of Dearborn and found
this thriving economy missing from the plethora of research on ethnic groups and ethnic
entrepreneurs.

I traveled to Detroit in the summer of 2007 to explore the possibility of doing a
research project on Arab Americans in Dearborn, Detroit, and the surrounding suburbs. I
met with a number of extremely helpful academics at three different universities throughout Michigan that summer. I wanted to talk with graduate students and professors who had done research with Arab Americans in Detroit to learn about their research experiences. Most importantly, I wanted to know if they thought I could do research too. As a non-Arab white woman in my early 20s who did not speak Arabic, I was concerned about my ability to gain access to, develop trust with, and conduct interviews and observations in what other scholars have termed “Arab Detroit”.

These meetings proved extremely helpful and I am forever grateful for those who had previously researched, surveyed, and lived in this community being so willing to share their experiences with me and provide feedback on my project. I was told that it would be possible for me to gain access to the community and that my research interests were valuable and unanswered by other academic work.

These meetings also provided valuable warnings from those who were more familiar with doing research on Arab Americans living in Detroit. These warning gave me a better sense of the challenges the community faced in a post-9/11 atmosphere and how stereotypes and previous surveillance in the community would impact my research. For example, I was warned about the possibility that people could think I was working for the government collecting information on potential terrorist sleeper cells, as my interview questions were geared toward collecting information on networks and who knew whom in the business community. I was told about Arab American organizations to avoid working through in an effort to maintain control of the data I collected. Arab American organizations had become more aware of shaping the image of Arab
Americans through research in an effort to improve the post-9/11 views of Arab Americans.

RESEARCH ASSISTANCE

Before I moved to Detroit, I began searching for an undergraduate student who spoke Arabic in case entire interviews or some sections needed to be completed in a subject’s native language. I also wanted to be able to provide my consent form in both Arabic and English for potential subjects.

I contacted a friend at the University of Michigan who referred me to Samar, a Palestinian American graduate of the University of Michigan, who was looking for a summer research job. She was raised in Dearborn until her family (like so many other Arab American families) moved to a Western suburb of Detroit. Samar is personable, outgoing, and came from a large family well embedded in the Dearborn community. Moreover, Samar had experience doing interviews in the medical school and was very excited about researching something she herself had wondered about in the community in which she was raised.

To my surprise Arabic played a minimal role in our interviews. Only one interview was conducted primarily in Arabic. No one preferred the Arabic consent form over the English one. Samar’s language abilities did prove helpful translating certain terms that people could not remember the English word for and for translating the conversations of those around us, which allowed us both to eavesdrop on people having conversations in Arabic.
I conducted research during two time periods in 2008 and 2009. During the first span of time I hired Samar to work with me to recruit and interview subjects. I did not hire Samar to help with my second phase of data collection in 2009. By 2009, Samar had left the area for another job. Additionally, the second round of data collection focused more on interviews in suburban Detroit where there were fewer immigrants and thus less of a need for Arabic translation services.

After analyzing the data between these two periods, there were no differences in the quality or type of data collected in interviews with and without a research assistant present. However, having a research assistant did provide me with better access (which I will explain in a later discussion on recruitment), knowledge of the community, and most importantly someone with whom to discuss research findings and themes.

I had conducted about five interviews with Arab American entrepreneurs before Samar and I began working together. These first five interviews were significant learning experiences for me and were with personal contacts and friends of friends who owned businesses throughout Metropolitan Detroit. After completing these exploratory interviews and making slight changes to the interview guide, I began working with Samar. On our first day in the field, I met Samar at a large bakery in town where we would frequently meet throughout the course of the project so that we could drive together to interviews. That first day we went to three different businesses and conducted three interviews back-to-back. We actually had to end fieldwork early that first day together because I ran out of consent forms. When I had gathered the interview materials that morning I thought we would be lucky to secure one interview. From that point on I always kept spare consent forms and interview guides stashed in my car.
After three consecutive interviews, I was overwhelmed and exhausted. The first business we went to was a friend of a friend of Samar’s—although she did not know the owner. The second entrepreneur we interviewed was a close friend of Samar’s. The third business in which we conducted an interview was a referral from the second entrepreneur we interviewed. Each business gave us a list of referrals that we pursued at later dates.

This early interview experience proved typical in four ways. First, the density of businesses in the ethnic enclave made conducting interviews convenient. We were able to walk from one business to the business next door or two doors down. There were plenty of days that we spent hours in the car crisscrossing Metropolitan Detroit in order to conduct interviews at times that were best for my subjects, but there were other days that we stayed within a few blocks conducting interviews. In fact, there were various times throughout the fieldwork process that I had to make a major push to conduct interviews on the outer, less densely populated areas of the enclave.

The second theme that proved typical throughout the research was that entrepreneurs were willing to participate in an interview without one being previously scheduled. Coming from academia in which nearly all interactions are scheduled in advance and based on other qualitative research projects I was familiar with, I had expected that all interviews would need to be scheduled in advance. Furthermore, given the various roles business owners play throughout the day, I had anticipated scheduling would be difficult and a time consuming part of data collection. I discovered, however, that showing up at a business—not scheduling an interview in advance—was the best was to obtain an interview. Cold calling people on the phone to schedule interviews for
other days proved much less productive than simply showing up at a business and telling the owner about the project. People were much more likely to be hesitant about the project or turn down the offer to be interviewed over than phone than they were in person. Typically, business owners would make time when I arrived to be interviewed, or ask that I come back in an hour or two. The majority of interviews were conducted at the business during business hours and as a result there were interruptions during the interview, phones would ring, customers would enter, or employees would ask questions. In these instances, I used these interruptions as additional opportunities to make observations of business life. Conducting interviews during business also allowed me to observe the customers and employees and get a feel for the business. I was often offered tours of larger firms, factories, and warehouses, which further enhanced my ability to observe employees and workplace interactions.

The more fieldwork I did, the more I found patterns in the business lives of entrepreneurs. For example, Mondays and Tuesdays tended not to be good days for interviews as businesses seemed to be busier. Fridays, on the other hand, proved to be a great days for interviews—possibly because many people left work to attend Friday prayers and were willing to have other interruptions throughout the workday, or were more welcome to distractions after a full week of work. Each week I’d aim to spend three full days in the field and the rest of the time focused on research and recruitment. Typically, Monday and Wednesday I spent researching people to recruit for the project and making phone calls and sending emails about the project. However, if anyone ever wanted to schedule an interview on those days, I would always go into the field. Tuesdays, Thursdays, and Fridays I normally had interviews scheduled or a list of
entrepreneurs I planned to meet or businesses I wanted to stop by. Five interviews were the most I conducted in a day. I tried to obtain at least two interviews each day I was in the field.

Scheduling interviews on the spot did not work for all businesses. For larger firms—those businesses like law firms, major distribution centers, and media research corporations, in which the owner would not be on the floor or answering the phone—I had to schedule interviews to meet the owner of the firm with assistants or employees. Additionally, all of my interviews with ethnic and religious organizations were scheduled in advance over the phone.

The third theme that continued throughout the research was the referral process. On our first day in the field together, Samar and I received lists of around 5 entrepreneurs at each interview we conducted. This referral process continued throughout the research. At the end of each interview I would ask the owner if they knew of any other entrepreneurs who might be interested in participating in the project. People would then get out their cell phones, scrolling through their contacts and giving me a list of names and phone numbers. They would tell me a bit about why they thought the entrepreneur would be ideal for the study and how they knew him or her. Entrepreneurs would also tell me to let the person they referred know that they had given me their contact information. Some entrepreneurs even took the liberty at the end of the interview when I asked about referrals to call family and friends on the spot and scheduled times for me to meet with them.

Snowball sampling proved extremely valuable. Generally, when contacting someone who a person had referred, I would not initially tell that person who specifically
had referred them, only that they had been referred by other entrepreneurs as someone who would be interested in the study (as I found out that saying this often worked just as well as saying who specifically had referred them and then I didn’t have to worry about any confidentiality issues that might arise from sharing information about whom I had and had not interviewed and what they said). However, if people were at all hesitant about the project, or had additional questions about the research, I would tell them who referred them and that tended to make people feel much more comfortable about the project.

The fourth aspect of that first successful day of fieldwork that proved typical throughout the research project was the hospitable reception. Entrepreneurs were extremely welcoming throughout the research project. Arab culture stresses hospitality and I certainly benefitted from conducting research in a community with such values. Entrepreneurs would offer food, tea, and sweets, during the interview and often send me home with a sample of whatever goods they sold.

**MULTIPLE METHODS OF RECRUITMENT**

As discussed above, referrals proved invaluable in this research study, but I used a number of methods of recruitment for this project. Entrepreneurs were willing to provide referrals to other entrepreneurs (which in many cases proved to be data in and of itself) and when people were contacted through these referral chains they were happy to participate. It would have been possible to meet the sample size I had intended only through contacting people who others referred.
However, I realized before I began the project that I would need to ensure I recruited participants through multiple sources and techniques in order to obtain the diversity I needed and ensure that I was not sampling within networks. Typically, people refer others who are like them and that often proved the case in my study as well. I needed to obtain interviews with three different ethnic groups and two different religious groups in order to answer my research questions, and to do so I used several other types of recruitment.

My research assistant, Samar and I both had personal contacts in the community. Having been raised in Dearborn, Samar had several friends who had opened businesses or whose families owned businesses. We conducted interviews with several of the entrepreneurs she knew. The academics I met with when I began the project in 2007 provided me with some contacts. I continued meeting with researchers and acquiring contacts from them throughout my fieldwork. I had some personal connections to Arab American entrepreneurs in Detroit. As I mentioned, I attended high school in a suburb of Detroit and many of my friends’ parents were entrepreneurs (both Arab and non-Arab) who had business connections in the community and were willing to provide me with referrals.

In addition to using personal connections and referrals, I also contacted ethnic and religious organizations in the community. I often met with key leaders in these organizations and at the end of these meetings, I asked for referrals to entrepreneurs who were a part of their community. These lists proved extremely helpful in recruitment and guaranteed that I sampled from multiple communities and groups.
The final technique for recruitment was cold calling businesses. For example, I would be eating at an Arab American-owned restaurant, or shopping at an Arab American-owned store and would meet the owner and ask him or her to participate in the project. I obtained information and contacted other Arab American entrepreneurs through advertisements they ran.

A major concern I had when starting the project, and something people often ask me about, was how I convinced people to participate in the study. I knew coming into this project that entrepreneurs are busy people who wear multiple hats throughout the day and work long hours. This work ethic and drive was something that attracted me to studying business in the first place, but also a component that I knew would make research challenging.

I framed the research in a way that made clear the benefit of my potential findings to Arab Americans and also to business startup. Part of my motivation for this project was to better understand how and why some people are able to open and run successful businesses. Business ownership is no easy feat. I let entrepreneurs know that I was impressed with all they were able to accomplish, especially considering that so many were recent immigrants, and that I wanted to better understand what allowed them to achieve what they had. Additionally, very little work has been done on Arab American economies. Yet, there has been ample research on China towns, Japan towns, and Cubans in Miami—these are well-known examples of ethnic economies that seemed to resonated with my interview subjects when I pitched the project to them. Entrepreneurs were often very receptive to this framing and expressed interest in knowing my findings.
I also informed them, as did the consent form each entrepreneur was given, that I was a graduate student from the University of California in San Diego. I felt that many subjects were surprised, pleased, or felt validated in some ways that I would travel from San Diego to study them. Learning that I lived in San Diego also helped break the ice with several interview subjects as people always had something to say about Southern California. I was told that Southern California is the one climate in the U.S. that is the most similar to the Middle East and that is why California has so many Arab Americas. Considering that California has more Arab Americans than any other state in the U.S., people in Detroit often had family or friends who resided there, or had once lived there themselves. This proved to be a useful conversation starter as people signed the human consent form and learned more about the project.

Another component of my identity and consent form that seemed to help break the ice was that I was working on a dissertation for my Ph.D. Arab Americans expressed valuing education, which is demonstrated in the high levels of education for Arab Americans. For example, 45 percent of Arab Americans have earned a Bachelor’s Degree or higher, while only 28 percent of Americans have.\(^8\) Moreover, 18 percent of Arab Americans (almost twice the American average) have an advance degree.\(^9\) Many people remarked on my academic qualifications and commended me for my pursuits and efforts. When I first began my research I was surprised by the education levels of my respondents and by how many had earned advanced degrees and worked in professional

\(^8\) Arab American Institute, http://www.aaiusa.org/pages/demographics/

\(^9\) Arab American Institute, http://www.aaiusa.org/pages/demographics/
settings. Many entrepreneurs told me that their families had forced them, or encouraged them, to obtain an education to better the standing of the group and ensure that they would always have employment options beyond store ownership, which many Arab American immigrants did not. I was also told about their siblings, relatives, and children who were earning advanced and professional degrees. Some entrepreneurs even asked me for advice on their children or grandchildren who were interested in graduate school.

CONSENT FORMS AND TRANSCRIPTS

The more I learned about the Arab American community and the monitoring that went on in Dearborn and surrounding communities post-9/11 (which will be discussed in more depth in Chapter 6), the more I realized that it might be difficult for me to obtain signed consent forms and audio record interviews. Additionally, I knew that it was likely that not all of my interview subjects were in the U.S. legally and that this might complicate obtaining signatures and recording interviews. It is important to note that I did not ask any questions about citizenship in my interviews because I did not want to deter people from participating based on their legal status within the U.S.

I began to pursue the option of having oral permission granted for interview participation instead of signed consent forms. I also spoke with academics who had done research with Arab Americans in Detroit about their experiences with signed consent forms and oral recordings. One scholar said that she found that her subjects actually liked signing consent forms and having a copy of them to keep so that there was official record of their meetings unlike many post-9/11 meetings and interactions with intelligence and immigration officers. She also mentioned that she found people were
uncomfortable with and often refused to be recorded. Taking her advice, I decided to provide my subjects with a signed consent form. Of the 93 entrepreneurs I interviewed, I had one person who did not want to sign the consent form at the start of the interview, but did so at the end of the interview. I also gave my subjects copies of the consent forms and my business cards, which had my contact information on them should any questions or issues arise.

However, I quickly discovered that people were less willing to be audio recorded during interviews. As a result, I learned to take extensive notes during the interview on the interview guide. In the first few interviews it was very hard to take notes, ask questions, and recall what people had said after interviews. It was also challenging to write notes while maintaining eye contact with the interview subject. After about five interviews, I developed a solid system of note taking and noticed a change in my memory. On the interview guide I would write down key words and phrases that the interview subjects used and I developed short hand for transition words and phrases. I also learned the importance of extending these notes at the end of the interview. I would try to fill in as much information while I was in the field. After the interview, I would drive to a café, or sit in my car and write notes on the guide or begin transcribing my notes on my computer. Due to trying to obtain as many interviews as possible throughout the day, I often would not have the opportunity to type up the entire interview until the evening when I was done with interviews and back home.

I would try to schedule each day so that I would always have time at the end of the day to transcribe my notes for each interview in the same day I conducted the interview. On days when Samar was with me for interviews I would have her read over
the transcripts to see if she had anything to add that I might have missed. I learned quickly that it was much easier to recall the interview on the same day in which it had been conducted, so on days when we conducted four or more interviews, I would have Samar transcribe one of the interviews in order to ensure that we would have transcripts of all interviews completed as closely to the time of the interview as possible.

**HOUSING**

In the spring of 2008, I began my fieldwork. I decided to live in Zone I and focus the majority of my data collection in the ethnic enclave. My husband and I rented an upper flat in a house in Hamtramck. Hamtramck is a small immigrant community that covers about two square miles of land and is a city bounded by Detroit on all sides. The town is densely populated with many dual family homes that sit on small lots. Historically, Hamtramck attracted German and Polish immigrants who sought jobs in the city’s automobile factories. Hamtramck has remained a popular destination of Polish and Ukrainian immigrants. There are immigrants in Hamtramck who are phenotypically white, but speak little to no English—a rare occurrence in the immigrant landscape in the U.S. today.

However, today immigrants in Hamtramck are more likely to be from Yemen, Bangladesh (or the Bengal region of India), and Albania than from Poland. There is also a large population of African Americans. The neighbors on one side of my flat in Hamtramck were a multi-generational family from Albania and the neighbors on the other side were from Yemen. A Bengali family and a man of Polish ancestry occupied the two homes directly across the street. This diversity represented among these five
houses was present throughout the city. The community also attracted a population of academics, activists, and artists due to the diversity, low living costs, and walk-ability of the town. For example, while I lived in Hamtramck there was another doctoral student of Anthropology doing ethnographic research with Yemeni women who was able to offer me additional insight on the challenges and merits of conducting research with Arab Americans in Metropolitan Detroit.

Locating myself in Hamtramck gave me easy access to Dearborn and Detroit where I would be doing the majority of my interviews that summer as well as the suburbs of Metropolitan Detroit. There are also a number of Iraqi, Lebanese, and Palestinian-owned businesses in Hamtramck despite the fact that most of the Arab Americans who live in the community are Yemeni. I was able to make observations of these businesses on nearly a daily basis and conduct interviews with business owners.

Moreover, living in Hamtramck provided me with validation among my research subjects. My subjects would often ask me where I was living when they found out I was visiting from California to do the research. Many Arab Americans in zone one lived in the ethnic enclave of Dearborn, which is sometimes viewed by outsiders as Arab, Muslim, and immigrant. By staying in Hamtramck, I lived in a community that many of my interview subjects viewed as even more Muslim, immigrant, violent, and poor, than the ethnic enclave of Dearborn. For example, after much debate, the call to prayer for Muslims is broadcast in Hamtramck throughout the day, but not in Dearborn. Additionally, Hamtramck is the home to more recent Yemeni and Iraqi Muslim immigrants with lower rates of education and higher rates of poverty. Many of my interview subjects would describe these groups as more ignorant and backwards than the
majority of Arab Americans. Crime is also higher in Hamtramck than Dearborn and some areas of Detroit. While we lived in Hamtramck, my husband was locked down in a restaurant on the main street of the business district for hours as the police searched for a murder suspect and walked through a murder crime scene at a Polish heritage festival. There was also a rash of robberies while I was living there during which people stepping out of bars (of which the two square mile town has 40) to make phone calls or smoke cigarettes were robbed of cell phones by people carrying sawed-off shotguns. Living in Hamtramck demonstrated that I was familiar with, accustomed to, and willing to live in a community with more recent immigrants, more public Islamic practices, and a more negative image than the Arab American ethnic enclave of Dearborn.

In the spring of 2009, I moved to Troy, Michigan a north suburb of Detroit in zone two. After settling into zone one to do fieldwork in 2008, I needed to further explore the Arab American community in zone two and decided that living in a community that was more similar to where my subjects lived would be best. Just as living in zone one provided me with validation when doing research in Dearborn and Detroit, living in suburbia demonstrated that I was familiar with and a part of the suburban community. Moreover, while I felt people in Dearborn were impressed that I was willing to live in Hamtramck, I thought remaining in this community while conducting fieldwork in zone two would appear odd or concerning to my interview subjects. It was not uncommon for suburban dwellers of Detroit to hold very negative views of the city (which Hamtramck was certainly seen as a part of) and even avoid traveling to such areas. For example, on several occasions, when conducting research with entrepreneurs who owned businesses in zone two, I was referred to other
entrepreneurs who owned businesses in zone one. These entrepreneurs would then warn me, or tell me, to not travel to the business in zone one to conduct the interview, but to meet at the entrepreneurs’ homes or suburban office locations.

The town of Troy is filled with planned housing developments, four to five-bedroom single-family homes with expansive yards. There are also several large corporations in Troy and the majority of the businesses are chains. Crime is low in the community. However, I was surprised by the number of abandoned homes and for sale signs even within a relatively wealthy and economically healthy community. As is typical of zone two, there is not a high concentration or density of Arab American homes or businesses in Troy. However, zone two has Arab American residents, businesses, mosques, and churches spread throughout the suburban cities.

PRESENTATION OF SELF

When I began my research, I started taking exploratory trips to Arab American-owned businesses in the ethnic economy. Each day I would shop at markets and bring home a wide range of Arab baked goods and foods. One of my first observations about the ethnic enclave was how different people dressed from Southern California. Possibly coming from Southern California, which is known for informal dress even in workplaces made this style of dress all the more shocking. Women and men in Dearborn would be described as dressing business casual to business formal. Women in Dearborn would wear slacks (rarely jeans) and dressier tops, designer handbags, lots of gold jewelry, and high-heeled shoes. Men would often wear dress slacks and button-up collared shirts.
It is possible that the community maintained a formal level of dress to avoid, or fight against, negative stereotypes. A well-dressed Arab American is likely to face less discrimination, or discrimination based on phenotypic appearance, rather than phenotypic appearance and class. Additionally, interview subjects and other community members with whom I spoke frequently stressed the importance of materialism, consumerism, and status within the ethnic enclave as well. It also possible that the formal dress styles in the community demonstrated the importance of these values.

After making observations within the community upon my arrival, I immediately altered my style of dress my match the formal dress of the community. Each day in the field I would wear suit slacks and button-up collared shirts. I also replaced my graduate school backpack with a leather briefcase in attempt to fit in with the style of professional dress in the area. I also wore long sleeved jackets and shirts while conducting research in the community despite the intense Michigan heat and humidity to maintain a level of modesty during the research. There were plenty of Arab American women in Metropolitan Detroit who wore tank tops, sleeveless shirts, and skirts in the community—even Muslim women who also wore hijabs—but in case showing too much skin might offend anyone in the community, or make me stand out more within the community, I decided to maintain a formal and well-covered style of dress.

Another component of managing my presentation of self was realizing that I was never “off” work. I would run into interview subjects when I was not conducting fieldwork. Additionally, all interview subjects had my contact information and I did receive calls from people who wanted to talk about the research, interview process, and results throughout the day and into the evening. Moreover, I purposely scheduled social
interactions with friends, family, and colleagues at Arab-owned businesses throughout Metropolitan Detroit, especially in the early stages of the research, to try to spend as much time as possible and learn as much as possible about the entrepreneurial community. Considering the inability to separate leisurely personal time from fieldwork, I made sure to manage my presentation of self even when I was not in the field conducting interviews. I also learned that word of my presence and project did spread in the community, which further demonstrated the importance of managing how I presented myself even in my leisure time. As a result, I banned my husband from any displays of pubic affections, did not drink alcohol when I was out, and always wore something with long-sleeves when in the ethnic enclave.

Explaining how I entered into and collected data within this community will provide a useful context for the data I present in the chapters that follow. Moreover, it was necessary to explore the immigration histories and American communities of the Lebanese, Iraqi, and Palestinian Americans included in this research to better situate the major themes in the data on religion and ethnicity in the subsequent chapters.
Picture 2.1: Arab American storeowner in Detroit interacting with his customer through bulletproof glass.

Picture 2.2: A sign in Arabic and English for a carpentry and upholstery store that also sells bulletproof glass in Detroit.
Picture 2.3: The American flag and a flag advertising the annual Arab American Festival in Dearborn. The festival is co-sponsored by the FBI, which appears prominently at the bottom of the flag.

Picture 2.4: The flags on this business sign illustrate the diversity of countries represented in the Arab American ethnic enclave. This image was taken in Dearborn
Picture 2.5: Arabic and English on billboard in Detroit.

Picture 2.6: Combination of languages and religious symbols on a sign for a Chaldean Language School in a Northern suburb of Detroit.
Picture 2.7: Christian church in suburban Detroit.

Picture 2.8: Muslim mosque in Dearborn.
Picture 2.9: This Dearborn sign demonstrating the close proximity of Christian and Muslim religious institutions

Picture 2.10: Church in Dearborn.
The density of Arab American-owned businesses can be seen in this image taken in Dearborn.

This sign captures the diversity and density of Arab American-owned businesses in the Oasis Plaza.
Picture 2.13: Sign of Arab American-owned businesses in Arabic and English in Dearborn.

Picture 2.14: Iraqi Bakery in Detroit.
Picture 2.15: Businesses in Detroit.

2.16: Store specializing in religious dress for women in Dearborn.
CHAPTER 3: PANETHNICITY AND ETHNO-NATIONAL TIES

INTRODUCTION

Research on the emergence of panethnic groups points to discrimination as one of the leading factors for encouraging diverse ethno-national groups (e.g. Lebanese, Iraqi, Palestinian) to unite around a shared panethnic identity (e.g. Arab American) (Nagel 1996; Espiritu 1992; Padilla 1985). Panethnic groups play an important role in organizing to increase equality and obtaining political resources for all panethnic group members through collective action (Espiritu 1992; Olzak and Nagel 1986; Padilla 1985; Olzak 1983). Research findings on panethnic mobilization overlap considerably with theories on ethnic economies. Scholars of ethnic economies argue that discrimination can strengthen ethnic bonds in opposition to an out-group (Portes and Rumbaut 2001; Light and Rosenstein 1995) in such a way that increases the success of ethnic entrepreneurs. Ethnic-based solidarity can cut business costs, create entrepreneurial alliances, attract customers, and aid in hiring (Zhou 2005; Waldinger and Lichter 2003; Rauch 2001; Min and Bozorgmehr 2000; Waldinger, Aldrich, and Ward 1990; Portes and Bach 1985; Bonacich and Modell 1980; Light 1972).

This chapter bridges literature on panethnic political mobilization with research on ethnic economies to explore two questions. If panethnicity is a resource for political mobilization, does it also serve as a basis for economic action for Arab Americans? Additionally, if discrimination encourages panethnic bonds in the political sphere, does it also enhance panethnic bonds for Arab Americans in the economic sphere?

I demonstrate that instead of discrimination tightening panethnic bonds and
increasing entrepreneurial resources, business owners attempt to separate or distinguish themselves from the panethnic group identity and the discrimination associated with it. Entrepreneurial resources and business networks are not shared and developed panethnically, but according to ethno-national identities—a distribution of resources that entrepreneurs report hindering economic success.

**PANETHNIC IDENTITY FORMATION & MOBILIZATION**

Ethnic and panethnic identities are socially constructed, contextual, and situational (Nagel 1996; Portes and Rumbaut 1994; Padilla 1984; Gans 1979). Ethnicity, or ethno-nationality, is defined by common descent that can be tied to phenotypic similarities, customs, heritage, or geographic location (Cornell and Hartman 1998; Wade 1997; Weber 1978). Panethnic identification can arise when multiple ethno-national groups recognize a shared identity due to similar language, culture, history, or other overlapping elements. Panethnic mobilization occurs when a panethnic group develops a desire to obtain a competitive edge (Nagel and Olzak 1982) and recognizes that joining together as a larger united group will be more effective in obtaining the desired resources than doing so as individual ethno-national groups (Nagel 1996; Espiritu 1992, Nagel and Olzak 1982; Padilla 1985; Hannan 1979).

There are several leading factors that facilitate the development of panethnic mobilization, such as: collective action, governmental involvement, marketing campaigns, and discrimination. It is important to note that previous research does not pinpoint a necessary factor in order for panethnicity to emerge. Often a combination of these factors (Nagel 1996; Espiritu 1992; Padilla 1985) and strategic interactions between
actors in each field (Mora Forthcoming), such as the government and marketing firms, are credited with constructing new panethnic identity options and panethnic mobilization campaigns.

For example, collective action campaigns, mainly the civil rights movements of the 1960s, sparked panethnic mobilization and the creation of panethnic organization leaders for Asians (Espiritu 1992), Latinos (Padilla 1985) and Native Americans (Nagel 1996). The federal government has also played a role in encouraging panethnic groups to mobilize and obtain resources that have been made available through increased federal funding opportunities (Padilla 1985; Olzak and Nagel 1986; Cornell 1990; Espiritu 1992; Nagel 1996). Furthermore, by lumping diverse ethno-national groups together in census data collection, the government played a key role in defining and developing panethnic group identities and encouraging subsequent mobilization around these identities to obtain governmental resources (Mora Forthcoming; Espiritu 1992). Another vein of research stresses the power of market sectors and campaigns in establishing panethnic group identities and mobilization (Mora Forthcoming).

**DISCRIMINATION IN PANETHNIC IDENTITY FORMATION AND MOBILIZATION**

Competition between groups, and the resulting propensity to draw distinctions between in- and out-groups (Simmel 1903; Coser 1956), is one of the leading explanations for the formation of ethnic, panethnic, religious, and class groups. The foundation of out-group discrimination facilitating collective action is rooted in Marx’s ([1848] 1948) discussion of a ‘class in itself’ transitioning into a ‘class for itself’ after recognizing a shared position of oppression and the ability to sacrifice for one another for
the betterment of the group. This idea of a group developing a sense of collective identity and then an understanding of group sacrifice through collective action has been extended to theories on panethnic groups. For example, Nagel (1996) who researched the revitalization of Native American panethnicity, writes ‘…there is an overarching sense of “we” (and of “they”) that emerges when collective fates and interests are at stake and when the larger group confronts outsiders’ (p. 7). Padilla’s (1985) work also identified economic, occupational, and structural inequalities as a leading force behind the development of the Latino panethnic identity and especially stresses the segregation of Latinos in low-skilled and low-income jobs. Espiritu (1992) points to the power of specific acts of discrimination and violence, such as the murder of Vincent Chin, for bringing multiple Asian ethnic groups together to mobilize panethnically in attempts to reduce violence towards all Asian Americans.

**DISCRIMINATION IN ETHNIC ECONOMIES**

Applying an ethnic economies lens to panethnic mobilization can provide further insight on how discrimination can increase group unity. Through bounded solidarity, ethnic group members develop a sense of loyalty towards one another based on shared situations (Portes 1998; Portes and Sensenbrenner 1993). When present in the ethnic economy, bounded solidarity can result in economic benefits through an intense sense of group loyalty and sacrifice. In panethnic mobilization, bounded solidarity can encourage one ethno-national group to support the needs of other panethnic group members regardless of direct knowledge or experience with other members beyond shared panethnic group identification.
One way in which discrimination can heighten panethnic identification and mobilization is through the process of reactive ethnicity (Portes and Rumbaut 2001; Light and Rosenstein 1995). Reactive ethnicity is a response to marginalization and oppression that brings about a heightened identification with an individual’s ethnic background that can prove beneficial in economic exchanges. For example, Min (1995) explains how Korean business owners who serve mainly non-Korean populations typically in low-income African American neighborhoods have higher levels of ethnic identification due to reactive ethnicity that is produced by violence and discrimination from customers and society at large. Additional theories of middlemen minorities come to similar conclusions about the importance of reactive ethnicity in economic success (see Light and Bonacich 1988; Kim 1987; Bonacich 1973). Developing an identity in opposition to an out-group creates a strong in-group identity that encourages people to mobilize to support one another even without direct knowledge of, or relationships with, other group members. Aldrich and Waldinger (1990) best explain how discrimination in the form of economic exclusion from jobs or access to entrepreneurial resources can enhance the benefits of ethnic capital: “economic exclusion strengthens group cohesion, thereby increasing the density of ethnic networks, and in turn, increasing access to group resources” (118).

Based on these theories, ethnic economies and panethnic mobilization campaigns are successful because people bond together to support one another. Discrimination can help to enhance the benefits of ethnic solidarities and panethnic unity by showing people that they are linked together in the eyes of outsiders and will only be able to improve the position of all group members through collective action.
To assess the influence of panethnicity in interviews, I asked entrepreneurs about their panethnic, ethno-national (e.g. Iraqi, Lebanese, and Palestinian), and racial identities, as well as how they saw these identities influencing their business success.

Selecting nearly equal numbers of the three ethno-national groups (See Figure 3.1) allowed me to determine if and how these groups united around a panethnic identity and if there were any distinctions based on ethno-nationality.

<table>
<thead>
<tr>
<th>Ethno-National Identity</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iraqi</td>
<td>27</td>
</tr>
<tr>
<td>Lebanese</td>
<td>38</td>
</tr>
<tr>
<td>Palestinian</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>93</td>
</tr>
</tbody>
</table>

In addition to ethnicity, the sample included other variations allowing for the possibility that another form of identity could prove more influential than panethnic identities in mobilizing community behavior.

**FINDINGS**

**SHARED PANETHNIC IDENTIFICATION**

In this section I illustrate the presence of Arab American panethnic identification and mobilization in order to underscore why panethnic solidarity in entrepreneurship would be expected to develop. Arab Americans in this study shared neighborhoods, schools, community centers, and local and international media sources as Chapter 2 introduced.

The Arab Americans included in this study maintained diverse panethnic communities—a component that helped develop the Asian panethnic identity (Espiritu
1992). It is necessary to note that some residential blocks contained more Iraqis, while others contained more Palestinians, yet others had a greater concentration of Lebanese. These patterns also emerged in the business district. One end of the main shopping district had more Iraqi American businesses while the other end tended to house businesses owned by Lebanese Americans. Nonetheless, subjects still reported a sense of the community being integrated by various ethno-national Arab groups. As one Lebanese business owner offered: “We are an international community. A neighbor on one side is Yemeni and a neighbor on the other side is Palestinian.” Businesses in my study were not selected through a random sample; nevertheless, the businesses included in this study also demonstrate the presence of a panethnic entrepreneurial community (as was most clearly demonstrated in Table 2.6 in Chapter 2, which color codes businesses by ethno-national origin on a map of Metropolitan Detroit). In the densest part of the ethnic enclave of Dearborn, for example, there is a high concentration of Lebanese businesses, but as seen in Table 2.6 there are Iraqi and Palestinian American-owned businesses scattered throughout the main street as well.

Interview subjects also shared common cultural traditions, foods, and music—with slight variations based on ethno-national group. Entrepreneurs explained that after learning some ethnic variations in song lyrics, Iraqi musicians could be more popular at Lebanese weddings than Lebanese entertainers and some Lebanese versions of Kunafa (a sweet dessert cheese) had won over Palestinians more accustomed to the style of Kunafa their grandparents made. Other entrepreneurs in the food business explained how they had altered their recipes to try to incorporate the preferences of multiple Arab ethnic groups and created what they described as panethnic recipes.
An additional component of importance in the development of panethnicity is the ability to communicate through a shared language. Entrepreneurs included in this study spoke English and Arabic and were not divided by multiple languages. According to the DAAS results, eighty-three percent of respondents reported speaking English well, while eighty-six percent said they also speak Arabic (Baker et al. 2009: 45-6). My interview and observational experiences also support these data as only one interview was conducted primarily in Arabic. Yet, Arabic is used and heard throughout the community and signs for businesses, schools, and community centers are in both Arabic and English.

Another important component of the development of panethnicity is the grouping and shared treatment of different ethnic groups into a panethnic category by outsiders (Espiritu 1992). Arab Americans in this study also acknowledge the influence of outsiders in assigning Arabs to a panethnic category, which could serve as an additional factor contributing to the development of panethnic identity formation as it did in the case of Asian Americans. One entrepreneur explained this process of ascription: “I always tell Arabs, you know, if someone saw us sitting here at this table, they wouldn’t say, ‘There is a Palestinian, and a Syrian, and two Lebanese’. They would say ‘There is a table of Arabs’”. Additionally, seventy-percent Arab Americans in Detroit identify with the panethnic label of Arab American (Baker et al. 2009), which is similar to other panethnic groups in America (U.S. Bureau of the Census, 2001; Itzigsohn and Dore-Cabral 2000).

**SHARED PANETHNIC DISCRIMINATION AND PREJUDICE**

In addition to panethnic identification and mobilization, Arab Americans shared experiences with panethnic-based prejudice. According to the theory of reactive
ethnicity, ethnic prejudice increases the saliency of one’s ethnic identity and one’s ethnic unity with those who share a similar experience with prejudice (Portes and Rumbaut 2001). Further, examples of discrimination and violence tightening panethnic bonds abound in literature on panethnic mobilization (Nagel 1996; Espiritu 1992; Padilla 1985).

Many Arab Americans reported experiencing discrimination in their youth in the United States. Interview subjects provided a common example of being referred to as a “camel jockey” by classmates. These experiences with discrimination increased dramatically following the events of 9/11 as Arab Americans, many of whom were born in the United States, had migrated decades before 9/11, or had spent more time in the United States than their countries of origin, were quickly reminded by 9/11 that they were not considered American in times of international terrorism and war. Interview subjects described personal experiences with eight-day detainments and confiscation of property and shared stories of witnessing family and friends being escorted out of workplaces and public schools for questioning, detention, and deportation.

Entrepreneurs also directly linked discrimination to their business lives. One Palestinian American entrepreneur described the collapse of his friend’s business due to increased tensions and prejudice following 9/11:

A friend of mine from high school who I hadn’t seen in four years... I stopped and talked to him and asked him how everything was going. He owned a gas station and after 9/11 there was like a boycott on his store and he went under.

I assume that this respondent is saying that after the change in the political climate following 9/11, it became harder and harder for Arab American entrepreneurs to navigate business challenges, and businesses, like this gas station owner’s, closed as a result of
discrimination. Another entrepreneur reported how prejudice brought on by the events of 9/11 and the subsequent wars had impacted his business and his identification. He tried to avoid telling people too much information about his Iraqi heritage after one of his employees had the following experience:

I had an employee who worked as an Iraqi translator in the American Army. He served for the U.S. [He] represented America. A customer asked him where he was from and they talked about Iraq and his experiences serving in the Army. The customer then wrote a bad review of our business and the employee. He said [in the review] that he didn’t feel comfortable here and that it was dangerous because there was someone with ties to Iraq here. It was one of the worst experiences.

I understand this entrepreneur’s story to suggest that unfounded stereotypes were widely held and easily accepted by others. The ability of customers to spread these negative views of Iraqi Americans via business review sites could have a major impact on the success of a business. A Lebanese American real estate agent explained how the increased discrimination following 9/11 altered her business:

Most banks are racist and I would say 95 percent of this industry is men. With the high percentage of men, and the discrimination that followed 9/11, I have to combat both racism and sexism.

This quotation suggests that discrimination based on appearance after the events of 9/11 made it harder for this entrepreneur to conduct business with banks. Each of these examples further demonstrates how Arab Americans are grouped by outsiders and come to share experiences with discrimination. The negative impact of discrimination not only reaches Arab Americans personally, but extends into business life as well.

Not only did the entrepreneurs included in this study discuss discrimination based on a panethnic identity that could have tightened their panethnic bonds, but they also shared experiences with racism. Racial categories are based on shared phenotypic
characteristics that often serve as the basis for discrimination. According to Cornell and Hartman (2007), racial groups can be defined by group members or by non-group members. Entrepreneurs in this study reported feeling that they were ascribed a white racial identity by the U.S. Census and other surveys, but do not identify as white, or feel that non-Arabs identify and treat them as such. The U.S. Census collects Arab American ancestry data, but Arab is not an option for racial identification. In interview after interview, entrepreneurs explained that they are required to identify on the census and other surveys as members of the “white” or “Caucasian” race. The following quotes illustrate how people would describe this limitation:

“They don’t have Arab on the census only white”

“You know you can’t say Arab on the census. I’ve only seen it once on a survey and that was a local survey”

“[Arab American] is not an option. It’s not specified”

“Arab Americans don’t know what to put”

“The category doesn’t exist on surveys”

These quotations demonstrate the confusion that exists over limited racial identification options. Despite having to identify with a white race, interview subjects acknowledged that they do not look like other whites and most importantly are not treated as if they are members of the white race. For example, one Iraqi business owner explained: “There is discrimination in America. People tend to see us as colored.” This statement suggests that Arab Americas are not considered white and suffer discrimination based on appearance. Another business owner explained: “I always say, we aren’t white enough and we aren’t dark enough.” For this entrepreneur it was not just that Arab Americans
were not white that proved problematic, but that their appearance also prevented them from fitting into the black racial category as well. As a result, they could not claim membership in any racial group, which could have further encouraged panethnic unity.

Considering these shared experiences with and perceptions of panethnic discrimination and mismatched racial labels as well as the formation of panethnic business organizations, and the high rates of panethnic identification, it might be expected that Iraqi, Lebanese, and Palestinian American entrepreneurs would extend panethnic bonds to the business sphere.

**PANETHNIC DIVISIONS AND ETHNO-NATIONAL SOLIDARITY**

I found that discrimination did not encourage Arab Americans of different ethno-national origins to mobilize together and support one another to increase economic success for the entire group. Instead, discrimination reduced panethnic mobilization and solidarity in economic exchange. Arab Americans in my sample work to distance themselves from the negative images, stereotypes, and discrimination directed at this panethnic group. Just as Mexican Americans worked to signal their American nationality and English language skills to outsiders to prevent nativism (Jiménez 2008, 2010), Arab Americans developed two techniques to signal their preferred identities to others. First, they identified themselves with their ethno-national group instead of with the panethnic category. The second technique used by Christian Arab Americans was to incorporate a Christian religious identity into their panethnic or ethno-national identification.
ETHNO-NATIONAL IDENTIFICATION

Interview subjects reported a lack of panethnic unity that encouraged ethno-national identification. For example, one Lebanese American reported, “We’re considered Arab American, but we’re Lebanese American”. With this clarifying statement, I assume this entrepreneur is attempting to distance himself from the pan-ethnic identity that is often ascribed to him. Another entrepreneur responded: “The Arab world is divided. Everyone should say what country they are from. When I am with Arabs I say Iraqi.” Other entrepreneurs offered further justifications for why they would want to separate themselves from the Arab American label. A Lebanese American storeowner provided this response when describing other Arab American ethno-national groups:

I hate Arab American because it joins everyone up which is good and bad at the same time. Saudis get a bad rap for attitude. Lebanese are known to be very arrogant and stuck up. Palestinians are very proud. When you put these all together, then people get a bad idea, get all the bad stuff in one. I like to distinguish myself. I say Lebanese to everyone, even if they don’t know all the stereotypes about the different groups.

This business owner tried to avoid the Arab American panethnic category in an effort to disassociate from these stereotypes, or at least only associate himself with one, rather than with several, negative stereotypes and components he thought were associated with the term Arab American. One Palestinian American entrepreneur provided additional insight into the motivation behind why people try to separate themselves from other Arab Americans and the Arab American panethnic category. He lamented, “It is bullshit, people who say there is a difference between Arab and Palestinian. They are just hiding from the negative media image of Arab.”
RELIGIOUS IDENTIFICATION

Another technique Arab American entrepreneurs described, which enabled them to distance themselves from the negative stereotypes and discrimination associated with Arab Americans, was for Christians to highlight their religious background. Within each of the three ethno-national groups (Iraqi, Palestinian, Lebanese) incorporated in this study, roughly half of the respondents were members of the Christian faith and half were members of the Muslim faith. This religious diversity makes Arab Americans different from other American panethnic groups. For example, Latino and Asian Americans tend to mobilize as a result of discrimination based on a perceived shared appearance alone. Arab Americans, however, face discrimination rooted in both their ethnic identity and their perceived religious identity. Despite Arab Americans being presented as a monolithic Muslim group by American media and political outlets, the majority of Arabs in the U.S. are Christian (Read 2004). Discrimination directed at Arab Americans due to their ethnic and religious identities (both perceived and actual) is based mainly on phenotypic appearance.

One entrepreneur provided additional insight on why it was important for Christians of Arab American heritage to separate themselves from such labels. The process of experiencing both religious and ethnic discrimination is clearly explained by an Iraqi American who stated:

The reason people say they have been hurt is because after 9/11 everyone suffered because people said. . . you are Arab and Muslim because you look like an Arab, even though we are Christians. Let me tell you a story, my brother’s business was doing well and then it collapsed and closed after 9/11. That’s why president Clinton said to people don’t jump to conclusions, because there was that Indian guy who was killed just because he wore a turban.
This entrepreneur’s quotation explains how the discrimination Arab Americans and Muslims (and those who were wrongly perceived as Arab American and Muslim) experienced was two-fold and based on both phenotypic appearance and the religious group commonly associated with the Arab American panethnic heritage. I understand this entrepreneur to be stating that his brother’s business failed because of both religious and panethnic discrimination that he experienced after 9/11. This discussion further helps to explain why Christian Arabs would consciously present a Christian image through the narratives they present to their customers and the religious symbols they incorporate into their businesses to help prevent their businesses from suffering financially due to discrimination.

Interview subjects were aware of the divides brought on by religious faith and how these divides altered the panethnic group as one entrepreneur explained:

Being Arab American, there’s a schism because there are Muslim and Christian Arabs. Ninety-nine percent of the time if you link an action of an Arab American it is linked to a Muslims action. There are no radical Christian Arabs out there. Arab Christians are segregated from both cultural and national groups.

This entrepreneur is saying that Arab Muslims, not Arab Christians, are more likely to be part of radical groups. This entrepreneur does not reference specific cases, but 9/11, for example, is commonly described as an act of radical Muslim Arabs. This entrepreneur laments that the actions of radical Muslims are now what people think of, 99% of the time, when thinking about Arabs. As a result of the negative perceptions of Arab Americans, there is now what he describes as a schism between Arab American
Christians and Arab American Muslims. He even goes so far as to describe Christians as being segregated from, or within, the larger panethnic group.

As a result of experiencing discrimination on the basis of two identities, Arab Americans work not only to distinguish themselves from the Arab American label, but also the Muslim label that is commonly attached to all Arab Americans. Just as entrepreneurs specified their ethno-national background to distance themselves from the Arab panethnic category, Christians developed techniques to cope with being conflated with Muslims. One Iraqi American reported “I don’t say Iraqi…because Iraq is so identified with the Muslim population. I say a small village of Catholics in Iraq.” Similarly, a Christian of Palestinian heritage said that when asked his ethnic identity he offered his religious faith as an answer. He would tell people he was a: “Christian American of Arab descent.” A Lebanese American entrepreneur explained how she dealt with this issue of signaling her religious faith in a technique that was common among respondents. She stated: “I wear a cross that way it is done. People think that because I’m Arabic I should be Muslim.” This business owner found that wearing the Christian religious symbol of a cross on a necklace marked her as separate from those Arab Americans who were subject to the most negative stereotypes and prejudice. She explained that wearing the cross would prevent any confusion potential clients might have over her religious identity and the negative stereotypes associated with Islam.

Similarly, several Christian entrepreneurs reported underscoring their religious faith by including church attendance when recalling the events of their weekends to customers. They felt this satisfied customers qualms about their religious heritage and made customers feel more comfortable. A Palestinian Christian who ran a real estate rental
development corporation best explained this technique:

   It hasn’t hurt because I’m Christian. I went to Catholic school, I’ve said this 1,000 times because telling people that tells them you’re a Christian. In this climate, I hate to say it...it has helped, it hasn’t hurt. I haven’t lost clients because I’m Arabic, or Palestinian. I’ll tell people we did this for Christmas, we did this for Easter.

I understand this entrepreneur to be suggesting that the ability to identify himself to his customers as Christian helps him avoid the negative stereotypes associated with Arab Americans. By talking about his religious holidays and Catholic school experiences, this business owner not only indicates to others that he is Christian, but also that he is actively involved in the Christian community. Moreover, by stressing the frequency with which he tells people about his Christian upbringing (he has mentioned that he attended Catholic school over 1,000 times) this entrepreneur is demonstrating how important it is for him to make his religious identity clear to his customers.

   Christian businesses also displayed Christian religious figurines and paintings of religious symbols in their offices and customer waiting areas. These religious symbols were often in prominent locations in the businesses that were hard for customers to miss. In interviews, some entrepreneurs would even gesture to this religious artwork when I began to ask questions about their religious identities, which illustrated the role of this physical evidence in supporting their identity and distinguishing them from negative stereotypes in the eye’s of their customers.

**ROLE OF THE STATE AND LEADERS**

   Arab American entrepreneurs distanced themselves from the panethnic label by identifying with one’s ethno-national origin and the Christian religious group.
Entrepreneurs explained that they used these techniques because of the negative images associated with the term Arab American and the damage this could have in business. Entrepreneurs also stressed the role of ethnic and religious leaders in encouraging separation from the panethnic label.

One entrepreneur explained what he saw as the development of separate ethno-national identities throughout his life:

Arab Americans didn’t always identify [with country of origin], but leaders have encouraged it. When I was a kid everyone in the regions of Palestine, Lebanon, and Jordan said they were Syrian because that was the region, but in modern times we have artificial nationalities. But we’re pretty much the same.

This quotation provides additional evidence of ethno-national identification over panethnicity. The entrepreneur holds Arab American leaders—not panethnic discrimination—responsible for bringing about separation and encouraging Arab Americans to identify with country of origin, or what he considered “artificial nationalities”. By stressing similarities between ethnic groups and mentioning that Arab Americans from a wide range of regions previously identified with a Syrian panethnic label, the entrepreneur supports the potential for panethnic identification. Another entrepreneur saw Arab American leaders as having the ability to bring various ethno-national groups together under the Arab American label:

It is separate by nation, by religion, by village, by religion and even within villages by clans and families. What would be the most beneficial would be for Arabs to unite around a panethnici, pan-Arab identity, but that is left up to the leaders.

Like scholars of panethnicity who emphasize that the betterment of diverse ethno-national group increases through panethnic unity, which brings large numbers of people
together to fight to improve the legal and social aspects for all, this entrepreneur feels that panethnicity is the key to success for Arab Americans. Moreover, this entrepreneur sees this panethnic formation process as something that Arab American leaders have the ability to encourage and bring about. One entrepreneur offered an explanation for why Arab American leaders would stress and encourage divisions between the larger panethnic group:

The church tells us to use Chaldean in surveys so we can get recognition. They don’t make us, but they suggest it. . . . If we use Chaldean on a survey people will have to deal with us and respect us and hear our thoughts and needs.

Here it is possible that the church, by encouraging members to use the ethno-religious identification of Chaldean, is hoping that Iraqis can separate themselves from the negative stereotypes associated with Muslim Arabs. However, it is also likely, as other interview subjects suggest, that this type of distinction that religious leaders are encouraging is preventing further unity. The literature on panethnicity suggests that one reason panethnic groups develop is to have a larger political influence than they would as ethnic specific groups. Identifying with the larger Arab American population may actually allow Chaldeans more recognition.

Additional evidence points to the political implications associated with the term Arab American and helps to clarify why people may want to avoid such an identity. One entrepreneur explained:

Did you know that at the Middle East peace talks Bush is trying to add more countries to what he considers the Middle East like Pakistan, Somalia, and Morocco? Now there are African nations and non-Arabs, Asians, and all Arab nationals are included. The big picture that Bush is trying to put together is because he wants the United States to justify being involved in all of these nations.
I understand this entrepreneur to be suggesting that the Arab category is socially constructed and can be manipulated for political objectives. Discussing the possibility of the expansion of the concept of Arab for political reasons proves problematic because it illustrates that Arabs do not think they have control of the meaning and boundaries of the panethnic category. The entrepreneur feels ethno-nationals can be incorporated into the panethnic Arab group to justify military involvement in a nation state. Moreover, the potential incorporation of people the entrepreneur considered non-Arabs might further complicate Arab Americans’ abilities to identify and unify panethnically.

Discrimination against Arab Americans could serve to unite Arab Americans as the theory of reactive ethnicity suggests, however, Arabs internalize these prejudices and develop coping strategies to distinguish themselves from negative stereotypes. Interview subjects explain how they consciously separate themselves from the larger panethnic label. They also discuss the ability of Arab American leaders to further encourage and prevent panethnic identity formation.

THE IMPACT OF PANETHNIC DISCRIMINATION AND DIVISIONS

Separating themselves from the panethnic group by stressing religious identities, or ethno-national identities, prevents entrepreneurs from sharing resources panethnically. To demonstrate this, I provide data on how entrepreneurs describe a lack of panethnic support in the business community, and then turn to network data that further highlights the importance of both ethno-national and non-Arab American ties, instead of panethnic relationships, in business.

Before exploring how the lack of panethnic unity impacts businesses, it is important
to demonstrate what panethnic support looks like and how it could help the business community. There were a few cases in which entrepreneurs described panethnic support based on a shared Arab American identity. One of the clearest examples of the process of panethnic support can be seen through the following quotation in which a Lebanese builder reports how he called on another Arab American when he was in need of maintaining his job:

I have a certain relationship today with my membership in the fraternity of Arab Americans. When I started working for the city I had a hard time. I was targeted and some members of the city council who wanted to cut the contract and here the mayor was just trying to do a good thing. I called a friend on the council, Hassan, and said you have to help me. He vouched for me and once they got to know me they were happy. I just had to give them the chance to see me.

This entrepreneur describes the panethnic community as a club or fraternity with which he is a member. The quotation illustrates how this entrepreneur was able to use panethnic unity in order to overcome discrimination. Membership in the panethnic group, and the willingness of other members of this group to fight for one another by vouching for this entrepreneur to other members of the city council, allowed the business owner to keep his contract. However, as the evidence that follows suggests, relationships rarely worked this way.

**LACK OF PANETHNIC BUSINESS SUPPORT**

One Lebanese American real estate agent explained how discrimination towards Arab Americans impacted her business:

You know racial discrimination is alive and well in America. I’ve had two banks who have said they don’t want to do business with me because I am
Arab, and one of the people who said this to me was himself Arab. He was like an Uncle Tom.

By referring to the Arab American banker as an ‘Uncle Tom’ figure, the entrepreneur is suggesting that the banker is carrying out the preferences of the non-Arab bankers with whom he works who would prefer not to do business with other Arab Americans. If discrimination brought about panethnic mobilization and reactive ethnicity among businesspeople, then this banker should align himself with other Arab Americans and extend loans to his fellow Arab American real estate agent as is illustrated in the example above with the construction contract. Instead, discrimination towards Arab Americans encourages the banker (and others like him) to separate himself from other Arab Americans and the discrimination and negative stereotypes directed towards them by in turn discriminating against other panethnic group members and limiting this entrepreneur’s financing resources.

Another entrepreneur explained the lack of panethnic unity in the business community and how it encouraged and strengthened relationships between ethno-nationals. One Christian Iraqi offered this example:

I knew an Iraqi Muslim and he was working in a restaurant and he was being treated badly by the Lebanese Muslims and then he opened his own restaurant. When he opened his own restaurant…and all the Iraqis went to support him. We went just to help because he had suffered. He was from the desert of Iraq. Iraqi Arabs are different than other Arabs. They will offer food…

This quotation further demonstrates the lack of panethnic support in the business community. I assume that this entrepreneur is claiming that the negative treatment of the Iraqi by the Lebanese brought about ethno-national solidarity and support from all Iraqis, which was demonstrated by Iraqis going to his business. Moreover, support from both
Christian and Muslim Iraqis towards his business (given that the business owner relaying this story is Christian and he states that all Iraqis went to support him), suggests the power of ethno-nationals to come together regardless of religion when faced with discrimination from the panethnic group. Finally, this entrepreneur is stressing further ethno-national differences between Arab Americans by stating that Iraqi Arabs are different than other Arabs and offering the example of their hospitality to demonstrate what positive behaviors make them unique from the larger panethnic group.

Other business owners similarly stressed a lack of panethnic support and solidarity in the business community in interviews. For example, one Palestinian American entrepreneur who had recently opened a business presented the community in this way: “Nobody wants to be unified [in this city]. People don’t care about you when you are in need of help, such as other local Arab American business owners.” This entrepreneur found herself struggling as she navigated the challenges of business ownership and found few supporters who were willing to provide her with advice and services within the established Arab American business community.

A Palestinian American entrepreneur similarly explained how the lack of panethnic support hurt the entrepreneurial process. He stated:

There is jealousy here…Cannibals in business in Detroit...There was a Palestinian business on [the main road in the ethnic business district] and people found out it was Palestinian and the business just died.

By equating business competition to cannibalism, the entrepreneur is presenting panethnic relationships in stark contrast to the solidarity and partnerships that are described in most research on ethnic economies and panethnic political mobilization.
Furthermore, this entrepreneur reported that support from other ethno-national groups, such as Lebanese and Iraqi Americans, could have helped make the Palestinian American’s business successful. Instead, once Lebanese and Iraqi Americans found out the business was Palestinian, and not owned by a member of their ethno-national groups, they did not support the business, and it closed. These data suggest that panethnic unity could have been beneficial for the success of many Arab American businesses, but proved to be a shared community and identity that they could not count on for support.

LACK OF PANETHNIC NETWORKS

Additional data on entrepreneurial networks enhances these qualitative findings on panethnic relationships. In interviews I collected data on the ethno-national identities of each entrepreneur’s three most important business network members, primary source of business funding, and employees. Findings demonstrate that within this sample, networks are more likely to develop along ethno-national group lines and with non-Arabs, than with members of the Arab American panethnic group.

The three most important people to one’s business tended to be dependable, long-term employees, accountants, bookkeepers, business mentors, financiers, and others who provided encouragement and support. Even though I asked for three people, business owners were allowed to list as many or as few network members as they wished. In order to determine the importance of panethnic solidarity in business network formation, I collected information on each network member’s ethnic identity and the nature of the relationship, if the entrepreneur did not provide those data in prior conversations.
Thirteen out of ninety-three entrepreneurs sampled for this study did not report maintaining ties with people who were valuable for the function of their business. These people either opted to not report their network members or tended to underscore their personal attributes and skills, over support from others, in the success of their businesses. Table 3.2 provides a summary of the findings on the most influential people to each entrepreneur’s business for the remaining 80 entrepreneurs who did report maintaining networks with others who assisted in the success of their business.

Table 3.2: Most Influential People to Business by Ethno-national Identity

<table>
<thead>
<tr>
<th>Influential Person</th>
<th>Shares Ethno-national Identity</th>
<th>Influential Person</th>
<th>Shares Panethnic Identity, but Different Ethno-national Origin</th>
<th>Influential Person of Different Panethnic and Ethno-national Identity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur</td>
<td>n=77 (72%)</td>
<td>n=8 (7%)</td>
<td>n=22 (21%)</td>
<td></td>
</tr>
</tbody>
</table>

N = 107, total number of reported network members

Table 3.2 demonstrates the importance of relationships with ethno-nationals in business ventures as seventy-two percent of influential people in the entrepreneurial process were members of one’s ethno-national group, while only seven percent of important network members were Arab Americans of a different ethno-national background. Twenty-one percent of the most important people to one’s business were neither members of the entrepreneur’s ethno-national nor panethnic group and tended to be non-Arab Americans who were incorporated into one’s network due to their business expertise in a particular field. Non-Arab Americans were more likely to be important business network members than were panethnic others, which suggests that Arab Americans of different ethno-national origins rarely relied on one another for business advice and valuable business
services. Additional findings on the ethno-national and panethnic identities of entrepreneurs’ leading funding sources and employees provide similar results.

Acquiring funding for a small business can be especially difficult and it is often considered one of the major obstacles in the entrepreneurial process (Bates 1990; Struck and Mandell 1983). As summarized in Table 3.3, the majority, or sixty-three percent, of entrepreneurs’ funding sources were from a bank loan, credit card, or savings. When not using one of these sources, only two percent of business loans came from panethnic others in comparison to thirty-five percent of loans that were provided by those who shared the entrepreneur’s ethno-national heritage. This finding further supports the importance of ties between co-ethnics in providing business funding over those who share the panethnic Arab American community.

Table 3.3: Leading Sources of Business Funding by Ethno-national Identity

<table>
<thead>
<tr>
<th></th>
<th>Loan Source of Shared Ethno-national Identity</th>
<th>Loan Source of Shared Panethnic Identity</th>
<th>Loan Source from banks, credit cards, and savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur</td>
<td>35%</td>
<td>2%</td>
<td>63%</td>
</tr>
</tbody>
</table>

N=91, Total Number of Funding Sources

Literature on ethnic economies underscores the importance of access to co-ethnic employees for the success of the ethnic businesses. One of the benefits of opening a business in an ethnic economy is that one can easily hire co-ethnics who live in the community (Light and Gold 2000; Portes and Sensenbrenner 1993). Entrepreneurs report having greater trust in co-ethnics, which helps reduce business costs such as the monitoring of employees. Table 3.4 demonstrates that despite the opportunity to hire
from a pool of ethno-nationally diverse Arab Americans, Arab American entrepreneurs tend to hire those who share their ethno-national origin. Hiring is rarely conducted based on shared panethnic identities and panethnic solidarity. Sixty-six percent of entrepreneurs’ employees were members of their ethno-national group. The second most likely source of employees, at twenty-six percent, did not share the entrepreneurs’ ethno-national group or their panethnic community. These employees tended to be identified by entrepreneurs as non-Arab whites, blacks, Italians, and Romanians. Finally, only eight percent of employees shared the entrepreneur’s panethnic group but not his or her ethno-national group.

Table 3.4: Ethno-national Identity of Employees

<table>
<thead>
<tr>
<th>Employee Shares</th>
<th>Employee Shares</th>
<th>Employee of Different Panethnic and Ethno-National Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic Identity</td>
<td>Panethnic Identity</td>
<td></td>
</tr>
<tr>
<td>Entrepreneur</td>
<td>66%</td>
<td>8%</td>
</tr>
</tbody>
</table>

These network findings on employees, funding sources, and the most important network members demonstrate the importance of ethno-national identities in business and the lack of panethnic mobilization in business dealings. When these findings are taken together with data on how entrepreneurs talk about panethnic support in the business community, distancing from the panethnic group due to discrimination carries major consequences for the organization of entrepreneurial resources.

CONCLUSIONS

Arab Americans share English and Arabic languages, cultures, communities, and panethnic identifications. They also join panethnic organizations and protests. These
measures suggest the presence of a strong panethnic identity and unity among Arab Americans in Detroit. Only after analyzing the role of panethnic and ethno-national identities in the business sphere does the minimal role that panethnicity plays in business emerge. Entrepreneurs report a lack of panethnic support in business ventures and often develop networks, hire employees, and establish business loans with those who share their ethno-national identities or those who are non-Arab Americans.

Discrimination—the very process that previous theories on panethnic mobilization and reactive ethnicity in the ethnic economy point to for strengthening solidarity for the benefit of all group members—does not facilitate panethnic unity among Arab American entrepreneurs in this study. Instead, Arab Americans specify ethno-national and Christian religious identities in order to distance themselves from the negative ethnic and religious stereotypes associated with Arab Americans that are tied to phenotypic appearance.

The situational nature of ethno-nationality and panethnicity is well established in previous research (Kim and White 2010, Okamoto 2003, Waters 1994, Padilla 1985). People can use both ethno-national and panethnic identities simultaneously and select one identity over the other depending on which identity is most beneficial for the circumstance. An important contribution of this research is that it helps to unpack the meaning behind strategic panethnic identification. The findings presented in this study on Arab Americans suggest that even when panethnic identification would be the most instrumental identity to use in business settings to advance the resources available to the entire group, Arab American entrepreneurs continue to distance themselves from one another in the economic sphere. This chapter suggests that networks form along ethno-
national rather than panethnic lines. The chapter that follows looks at the role of religion within ethno-national networks.
CHAPTER 4: THE ROLE OF RELIGION IN THE ETHNIC ECONOMY

INTRODUCTION

Researchers argue that in order for economies to function and economic exchanges to take place, people need to trust one another (Freidman 2008; Wilson 1997; Fukuyama 1995; Greif 1989; Coleman 1988b; Granovetter 1985; Arrow 1974). Trust typically refers to expectations that one person can rely on another’s word (Rotter 1980) even in times of uncertainty (Guseva and Rona-Tas 2001). The advantages of trust in business are far-ranging. Trust enables solidarity, information sharing, and beneficial business networks—components that have been found to facilitate entrepreneurship and increase business success (Fukuyama 1995; Portes 1998; Portes and Sensenbrenner 1993; Greif 1989, 1994; Coleman 1988b; Light 1972).

Frequently, trust in business dealings is enhanced through a shared group identity such as membership in a business organization or ethnic group. A large literature on ethnic entrepreneurship illustrates that ethnic solidarity among business owners can cut costs, create alliances, attract customers, and aid in hiring (Zhou 2005; Waldinger and Lichter 2003; Rauch 2001; Min and Bozorgmehr 2000; Waldinger, Aldrich, and Ward 1990; Portes and Bach 1985; Bonacich and Modell 1980; Light 1972). Formal business coalitions have also been shown to increase trust and facilitate solidarity, information flows, and networks among group members (Rauch 2001; Greif 1989, 1994; Light 1972). Rarely, however, does research on trust and entrepreneurship consider the influence of religious membership.
Religion and business are often viewed as two separate spheres. Research on trust frequently emphasizes the importance of race and ethnicity in determining trust to the exclusion of shared religious beliefs and congregational membership (Smith 2010; Uslaner 2002). Sociologists and economists acknowledge that researchers rarely consider how religion influences non-religious spheres, such as workplaces and economic growth (Cadge and Ecklund 2007; Barro and McCleary 2003; Guest 2003). Even business owners and religious leaders report having a hard time connecting business and religious life (Nash and McLennan 2001). Yet, the studies that do link religion and business life find that religious beliefs may alter economic outcomes (Barro and McCleary 2003; Kwon 2003; Woodrum 1985; Weber 1930). Furthermore, religious group membership can provide helpful social, psychological, and economic support that may enhance economic mobility (Richman 2005; Kim and Kim 2001; Ebaugh and Chafetz 2000; Hurh and Kim 1990; Zhou and Bankston 1998; Min 1992; Goldscheider and Zukerman 1984; Warner and Sole 1945). Nevertheless, without a thorough analysis of religion, it is likely that previous researchers have overstated the contributions of ethnicity and coalitions in entrepreneurial success and under-theorized the important role of religion to economic spheres.

Chapter 3 established that Arab American networks tend to form along ethno-national—not panethnic—lines. This chapter now examines religion within these ethno-national networks. Ethnic and religious identities have overlapping qualities and functions in economic action, which could explain why these identities are often presented in research as one and the same. Yet, there are qualities and functions that make ethnicity distinct from religion, which is what previous research has often
neglected. My conceptualization of the similarities and differences between ethnicity and religion, which I further explore in this chapter, is presented in table Table 4.1.

Table 4.1: Attributes of Religion and Ethno-nationality

<table>
<thead>
<tr>
<th>Religion</th>
<th>Identity</th>
<th>Organizational Mobilization of identity</th>
<th>Markers</th>
<th>Beliefs</th>
<th>Moral Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christianity</td>
<td>Catholic - Orthodox - Maronite</td>
<td>Church - Religious Schools</td>
<td>- Displaying Cross - Arab Phenotype</td>
<td>- Religious Specific Beliefs - Religious Teachings</td>
<td>- Codes of Conduct Based on Religious Beliefs - Enforced by Religious Leaders, Community, and God</td>
</tr>
<tr>
<td>Islam</td>
<td>Shia - Sunni</td>
<td>Mosque - Religious Schools</td>
<td>-Wearing Hijab - Arab Phenotype</td>
<td>- Religious Specific Beliefs - Religious Teachings</td>
<td>- Codes of Conduct Based on Religious Beliefs - Enforced by Religious Leaders, Community, and God</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Iraqi - Lebanese - Palestinian</td>
<td>Ethnic clubs - Ethnic fairs - Ethnic Business Organizations</td>
<td>- Phenotypic appearance - Accent - Speaking Arabic</td>
<td>- Belief in Ethnic Heritage Providing Attributes such as hospitality and business acumen</td>
<td>- Sense of moral obligation to community members - Enforced by community members</td>
</tr>
</tbody>
</table>

I argue that once the function of religion is examined separately from ethnicity the importance of religious capital in economic action emerges. Similar to ethnic capital, religious capital encompasses “church ritual, doctrinal knowledge, friendships with fellow worshipers, and even faith (insofar as it is the product of experience)” (Iannaccone 1997: 32), as well as emotional attachment to religious culture (Stark and Finke 2000). As with other forms of capital based on group solidarity, such as social and ethnic capital, religious capital is based on practical experience acquired over the life course and can
result in outcomes that facilitate the accrual of economic capital (Bourdieu 2002 [1986]; 1985] making it particularly beneficial in business. This research demonstrates, however, that religious capital offers a contribution in economic action that is different from ethnic capital as is summarized in table 4.1. Religious capital includes the component of shared religious moral codes of conduct, which are based on religious teaching, tenets, and beliefs and are enforced by the religious community, religious leaders, and belief in a divine religious authority. Some religious scholars call for a separation of religious capital from social networks or social capital (Finke and Dougherty 2002; Stark and Finke 2000), but this research demonstrates that it is only by considering religious beliefs and knowledge in conjunction with religious social networks that the function of shared religious moral codes emerges.

Shared religious moral codes provide additional assurance the business dealings with those who share one’s religious faith will be trustworthy. Shared religious moral codes ensure that all group members uphold the same codes of business conduct or face sanctions from the religious community, religious leadership, and potentially a divine religious authority. Moral codes of conduct that are rooted in religious teachings and tenets and are enforceable, enhance trust among business owners, which can significantly reduce business costs and increase productivity. As a result of religious capital’s shared religious moral codes, business resources are more likely to be established based on shared religious community.
ENTREPRENEURIAL SUCCESS

Network formation, bounded solidarity, information sharing, and enforceable trust are the four leading mechanisms that contribute to entrepreneurial success (See Chart 4.2). Social networks and bounded solidarity connect people. Once people develop a sense of connection either through the face-to-face interactions offered by social networks, or the shared sense of community provided by bounded solidarity, people then share information with one another. With established information flows, the community can successfully enforce trust through sanctions. Communities formed based on shared ethnic heritage, religious faith, or even formal business organizational membership, can assist in the establishment of social networks and bounded solidarity and ease the flow of information and the enforcement of trust. After presenting these mechanisms, I discuss the ways in which religion has been neglected from these analyses of entrepreneurial success.

![Diagram of mechanisms]

Figure 4.2: Four Beneficial Mechanisms in Entrepreneurship
SOCIAL NETWORKS

Social networks are relationships that are established through social interactions. Social networks develop through informal conversation with one’s neighbor or formal participation with others in a business organization. Social networks can assist with the formation of bounded solidarity, although bounded solidarity can also develop separately from social networks.

An extensive literature in economic sociology has illustrated that relationships with others can provide economic resources (Renzulli and Aldrich 2005; Portes 1998; Bourdieu 1986; Granovetter 1985). Those entrepreneurs who form networks with suppliers, bankers, lawyers, and more experienced business owners are more likely to be successful entrepreneurs (Johannisson 2000; Aldrich et al. 1986; Robinson 1982). Social network research also demonstrates that economic outcomes are influenced by the type and strength of the relationship tie (Granovetter 1985) and the position one establishes within and between networks (Burt 2002, 1992).

Granovetter’s research underscores the value of weak network ties, while tightly knit social groups are typically emphasized in literature concerned with explaining the success of ethnic entrepreneurs. Group membership based on shared ethno-national heritage, or religious faith provides a useful way to limit the bounds of a community and such social closure enables networks to overlap (Coleman 1990, 1988b). A bounded community with overlapping networks eases information sharing and enforceable trust and the benefits that come with these mechanisms. For example, Waldinger and Lichter (2003) found that strong social networks among Latino immigrants facilitated
information sharing and trust that resulted in the predominance of co-ethnics in certain jobs.

**BOUNDED SOLIDARITY**

Bounded solidarity is a sense of intense group loyalty that is based on recognition of shared experiences and social positions among a limited number of group members (Portes 1998; Portes and Sensenbrenner 1993; Coleman 1990). According to Portes (1998) and Portes and Sensenbrenner (1993), bounded solidarity is rooted in Marx’s ([1848] 1948) distinction between class in itself and class for itself. Once a group realizes that they have similar experiences, they share goals, which include sacrificing for one another for the betterment of the group. Bounded solidarity can develop between those who have previously established social network ties, or among people who have no direct personal experiences with one another aside from knowing that they share a community, and with it, a social position and goals.

Bounded solidarity assists in economic exchange through group loyalty towards businesses owned by group members. For example, Min (1988) argues that among Korean suppliers and business owners, wholesalers are more likely to extend lines of credit to Korean co-ethnics. Dominican entrepreneurs in New York and Cuban entrepreneurs in Miami are able to obtain business loans that have increased their financial success based strictly on their reputations in the community (Portes and Sensenbrenner 1993).
INFORMATION SHARING

Once a person is established in a community through social networks and/or a sense of bounded solidarity, information, such as who is trustworthy, and what cutting-edge technologies could be implemented into a business, can then be sent and received by this community member. Obtaining information is time-consuming and costly, yet it is essential in economic exchanges as it serves as a basis for directing action (Coleman 1988b) and determining how much risk to take in business (Coleman 1990).

Rauch’s research on Caribbean and African American entrepreneurs found that formal ethnic business organizations helped members share information that contributed to business startup and success (Rauch 2003). Similarly, Greif’s historical research on Maghribi traders illustrates that appointing group members to obtain and dissemination information is a cost-effective way to facilitate economic exchange and growth (Greif 1998). However, in the absence of formal organizations information sharing among social network members may be all the more important (Guseva and Rona-Tas 2001) as is strategically positioning oneself around those who have the best access to information (Coleman 1990, 1988b). Numerous studies also document the negative economic impacts of withholding information from others (Smith 2007; Newman 1999; Wilson 1987).

TRUST

After information is flowing between community members, it is possible for trust to be established and then enforced. Trust typically refers to expectations that one person can rely on another’s word (Rotter 1980) even in times of uncertainty (Guseva and Rona-
Trust is important in economic exchange as it can lead to greater financial gains, efficiency, risk taking, innovations, and economic growth (Fukuyama 1995; Coleman 1989; Granovetter 1985; Arrow 1974). The mechanism of enforceable trust is a form of collective assurance against bad business behavior. Enforceable trust ensures that if one is doing business within one’s community and an entrepreneur betrays the trust of another by defaulting on a loan or not properly delivering promised goods, the community can share information about this business member and punish the entrepreneur through economic sanctions. Economic sanctions could take the form of the community no longer frequenting the business or extending lines of credit to the entrepreneur. The Maghribi traders whom Greif (1994, 1989) studied were known to punish others by refusing to share trade-related information or to trade with a merchant who was known to have deceived another coalition member.

Rotating credit associations, which require members of the group to invest in others with the promise that these members will later invest in their business ventures, function well and are responsible for entrepreneurial growth because of the mechanism of enforceable trust (Coleman 1988; Granovetter 1985; Light 1972). Without trust, social networks, bounded solidarity, and information sharing would not be as beneficial in the economic sphere because economic exchanges lacking in trust would be too expensive to conduct (Fukuyama 1995; Coleman 1989; Arrow 1974). If one cannot trust another in the exchange of goods, ex-post sanctioning may be placed with legal institutions and debt collectors and does not guarantee that the money will be available to be repaid (Guseva and Rona-Tas 2001). The economic implications of this mechanism are further demonstrated in research that illustrates that without enforceable trust and community
sanctions people are less likely to support one another in job searches (Smith 2007; 2005).

RELIGION IN ENTREPRENEURSHIP

Much of the literature on network formation, bounded solidarity, information sharing, and enforceable trust neglects the role of religion. Those studies that do discuss religion often treat it similarly to ethno-nationality. In his discussion of Jewish diamond traders, Coleman (1988b) acknowledges that membership in the same synagogue can strengthen bonds between diamond traders, but he does not mark any distinctions between the economically beneficial trust provided by kinship, religious membership, ethnic identity, and living in the same community. Light and Gold’s (2000) foundational overview of the field of ethnic economies similarly incorporates research on religion, but often does so to make a point about ethnicity (for examples, see p. 106 on conversion, p. 30 on Iranian hiring practices, pg. 111-112 on Middle Easterners). Min (1995; 1992; 1989) and Hurh and Kim (1990) conflate religion and ethnicity in arguing that one way in which Koreans are able to maintain strong ethnic solidarity in business is because membership in Korean churches reinforces and helps strengthen ethnic identities.

There is no doubt that religious and ethnic identities overlap to a great extent and can reinforce one another. However, without examining how religious membership and religious faith may be beneficial to entrepreneurship in a different way than ethnicity, it is likely that studies overstate the impact of ethnic bonds in economic action, overlook the importance of religious capital in business, and leave the function of religion under theorized.
Scholarship that does address religion separately from ethnicity tends to focus on the benefits of religious participation or specific religious tenets in economic life, rather than applying the framework of religious capital in economic success similarly to research that examines ethnic capital in entrepreneurship. Religious scholars continually demonstrate a wide range of potential benefits for entrepreneurial activities that stem from being a member of a religious community and from maintaining religious social networks. For example, religious membership can facilitate beneficial relationships, cultural traditions, social services, and economic support (Lim and Putnam 2010; Richman 2005; Kim and Kim 2001; Ebaugh and Chafetz 2000; Min 1992; Hurh and Kim 1990; Goldscheider and Zukerman 1984).

Another vein of religious scholarship links specific religious doctrines and economic success. Weber (1930) argued that Calvinism instilled anxiety about one’s salvation that was mitigated through proving one was economically successful and marked by God to receive salvation. Similarly, Kwon (2003) compares the economic lives of Buddhist and Protestant Korean immigrants and determines that Korean Buddhists are able to achieve a higher socioeconomic standing in America due to their belief in individualism.

Studies that focus on religious participation and specific religious tenets help inform the application of religious capital in entrepreneurship. However, in order to fully analyze religious capital in economic action, research on ethnic economies must look at both religious belief and religious community participation within and across ethnic group membership. Furthermore, by examining religious capital, we can acquire a better understanding of how and why religions—no matter their specific doctrine—can assist in
entrepreneurship.

FINDINGS

NETWORK FORMATION

Chapter 3 looked at panethnic and ethno-national identities in network formation. Here I focus on the role of religion within networks developed along ethno-national lines. Table 4.3 provides a summary of the findings on the most influential people to each entrepreneur’s business.

Table 4.3: Most Influential People to Business by Ethno-nationality and Religion

<table>
<thead>
<tr>
<th></th>
<th>Shared Ethno-national origin</th>
<th>Arab American but of different Ethno-national origin</th>
<th>Non-Arab</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Religion</td>
<td>66% (n=71)</td>
<td>5% (n=5)</td>
<td>12% (n=13)</td>
</tr>
<tr>
<td>Different Religion</td>
<td>6% (n=6)</td>
<td>3% (n=3)</td>
<td>8% (n=9)</td>
</tr>
</tbody>
</table>

N = 107, total number of reported network members

Sixty-six percent of the people entrepreneurs listed as the most important people to their business ventures shared the religious faith and the ethno-national community of the entrepreneur. Findings on the people most important to one’s business highlight the role of both religion and ethnicity in business networks. Both one’s religious faith and one’s ethno-national group can serve as important communities in business and likely reinforce each other. These findings help explain why religion is often not analyzed as an identity separate from religion and why previous studies treat religion merely as an aspect of ethnic identity. In contrast, entrepreneurs were much less likely to develop networks with those who shared their ethnicity but were of a different religion (6%).
The second and third most likely network members were non-Arab Americans who either shared the entrepreneurs religious faith or were of a different religion. Twelve percent of network members shared the entrepreneurs religious faith, but were non-Arabs. Typically the entrepreneurs described these network members as White, African American, Italian, or Polish, Christians. The eight percent of network members who were non-Arabs and did not share the network member’s religion were most often Jewish Americans.

Arab Americans were least likely to network with other Arab Americans who did not share their ethno-national identity (i.e. Palestinian American networking with a Lebanese American) regardless of religious identification. These data support the importance of one maintaining business networks with those who share one’s ethno-national and religious community.

Even when entrepreneurs listed their network members as people who shared their religious and ethno-national groups, they reported developing these contacts because of shared religious communities, beliefs, and trust. Network data demonstrate that people form connections with those who share both their religious identity and their ethno-national identity. Once qualitative data on bounded solidarity, information sharing, and trust are incorporated into data analyses, religion proves influential in network formation in a different way than ethno-national identities and solidarities. Networks develop with members of the same ethno-national and religious groups, but shared religious community and moral codes offered a benefit to entrepreneurs that was different from those provided by shared ethno-nationality.
RELIGIOUS NETWORK FORMATION & BOUNDED SOLIDARITY

Communities are established through the formation of networks and bounded solidarity. In addition to developing networks with others through personal interactions, communities that ease entrepreneurship can also be established through bounded solidarity. Bounded solidarity is created through recognition of group membership, status, and goals with others who share an identity. Literature on bounded solidarity among ethnic entrepreneurs abounds and it is credited with the success of ethnic economies. This study demonstrates that bounded solidarity can also develop based on shared religious identity and function similarly to bounded solidarity among co-ethnics by increasing economic profits and business success.

Interview subjects reported that religious bounded solidarity encouraged people of the same religious groups to support one another. For example, Richard, a Palestinian Christian lawyer, explained bounded solidarity in this way “I know there are some Muslims that will only go to Muslim establishments, and some Christians that will only go to Christian establishments.” This quotation demonstrates a division in the business community based on religion. Another young entrepreneur of Palestinian heritage and Christian faith who had recently formed a home improvement company further explained the depth of religious loyalty:

I was once turned down from a job because I was Christian...he really liked my prices and he liked my work. Once the guy found out [his religion] he stopped returning my calls. Muslims, I know this will sound bias, support each other. If I go to a wedding photographer, I might hire someone my family knows, but I will go to the best price and best job. Muslims would rather support Muslims than Christians.
With this explanation, the entrepreneur is claiming that Muslims would rather support businesses owned by members of their religious group, than Christians. This quote also demonstrates the importance of supporting group members as in this case it is done regardless of price or quality. Another entrepreneur of Christian faith and Iraqi heritage similarly described the process of bounded solidarity “I go and buy from Muslims stores, but they don’t buy from Christian stores”. I understand this entrepreneur to be suggesting that while he supports Muslim businesses, he considers the Muslim community to only support members of the religious community. Other business owners reported similar observations within the Christian community. When explaining the success of Iraqi Christian entrepreneurs, a Lebanese Muslim stated: “If you were opening a store and [Chaldeans] came to your store and bought stuff form you and everyone else did it too—especially those other millionaires—then you would become rich too. [Lebanese Muslims] just don’t do that.” This entrepreneur demonstrates the importance of bounded solidarity in business as he thinks that the reason there is such wealth among Christian Iraqis is because they all go to one another’s businesses. Moreover, he claims that Muslims do not have the same levels of group loyalty and solidarity in business practices. The owner of an accounting firm similarly reported that the majority of his clients were Iraqi Christian and stated “Now that I think about it, there is a Muslim CPA and most of his customers are other Muslims.”

Entrepreneurs who reported that they believed customers would switch businesses to support members of their religious group further demonstrate the process of bounded solidarity. Business owners explained that when a competitor of a different religious faith opened, customers would prefer to support those who shared their religious group.
A Chaldean chiropractor explained this process “There was a chiropractor who was Muslim and I lost patients [when he opened].” This entrepreneur deplored the fact that regardless of Muslim clients’ reports of happiness with his services and his outstanding reputation in the area, his Muslim clients transferred in order to support someone who shared their religious faith.

Other entrepreneurs focused on the economic benefits provided by bounded solidarity and doing business within one’s religious community. A Palestinian Christian, who owned a car wash and auto body shop offered:

There were some cases where my customers actually ask me if I am Muslim or Christian, and to be honest I say I am Muslim, because a lot of my customers are Muslim and they have a very strong mindset of dealing with other Muslims. To me this is actually important to my business. Usually I don’t get asked that, because they think I am Muslim, but they don’t know that I am Christian. I try not to associate my business with the religion because I know some people may take that as an offense.

This was the only entrepreneur who admitted during an interview that he was misrepresenting his religious identity in order to reap economic benefits from the bounded solidarity among Muslims. Nevertheless, this quotation provides a clear illustration of the financial benefits of bounded solidarity and the importance of both inquiring about one’s religion and working within one’s religious community.

In order to be sure one was supporting businesses owned by those who share one’s religious faith, business owners reported that other entrepreneurs, customers, and community members would inquire about their religious faiths. One Lebanese Muslim, who owned a clothing store with her husband, lamented the judgments that she said accompanied these inquiries:
Arabs always talk about religion. They will know your religion from where you say you are from. I hate that Arabs ask if you are a Christian or a Muslim because then they judge if you are good.

A young Lebanese Christian lawyer, whose business was located in a largely Muslim neighborhood, seconded this phenomenon and reported, “When clients come in the first question they’ll ask is what village are you from”. As the entrepreneur in the previous quotation, the entrepreneur quoted here, and other interview subjects explained, asking about the village one is from is used to assess one’s religious faith. The Lebanese Christian entrepreneur then stated “once you say, their face immediately changes.”

Another entrepreneur relayed this story:

Someone came in and asked one of the employees if I was Christian. And the employee told him no, I am Muslim. But he said he didn’t believe the employee because he had seen my name on a plaque for donations at a church.

Entrepreneurs would repeatedly tell me that customers would ask them directly if they were Muslim or Christian, or use other techniques as one entrepreneur explained: “they’ll say do you celebrate Christmas, are you eating during Ramadan?” Entrepreneurs also discussed using techniques to signal their religion to customers in order to avoid questions. As was outlined in Chapter 3, Christians would wear crosses and display religious symbols (e.g. crosses) or artwork (e.g. paintings of Jesus) in their customer waiting areas or offices. Just as wearing a cross around one’s neck illustrated one’s religious faith, wearing a hijab demonstrated Muslim women’s religious group membership. Muslim Arab Americans also played recordings of the Qur’an in their businesses during the day and displayed Muslim religious pictures.
By supporting entrepreneurs with whom one shares a religious community, one is provided the opportunity to improve the position of the entire group. Additionally, as data in the subsequent sections illuminates, and as is captured in Table 4.4 bounded solidarity contributes to the benefits provided by information sharing, trust, and shared religious moral codes.

**INFORMATION SHARING IN THE RELIGIOUS COMMUNITY**

Once Arab Americans entrepreneurs establish networks, most often with those who share their religious and ethnic identities and bounded solidarity on the basis of religious group membership, beneficial information flows are established with religious others. Despite networks forming along ethnic and religious lines, data from this study demonstrate the importance of religious organizations, leaders, and events helping spread beneficial business information. When examining the spread of information among entrepreneurs, religious organizations prove important sites and religious leaders fundamental players in the spread of information.

Upon checking out at a grocery store, the owner, a Palestinian Muslim, whom I had already interviewed, mentioned to me that he had heard I had done interviews at two other businesses in the area. I told him that I had and asked him how he knew that. He responded “Don’t you know we all talk? That is why we never have any violations.” With this statement the entrepreneur is demonstrating the power of sharing information between entrepreneurs—not only are they able to inform each other about the activities of a social scientist, but also about when health inspectors are coming. The two other entrepreneurs he mentioned were also Muslim, one was of Lebanese heritage and the
other Palestinian. This quotation provides additional evidence of the information sharing process. This information was spread among members of the same religious faith, but different ethno-national origins. In the section that follows I examine the role religious organizations play in developing information sharing chains based on religion like this one.

Imams and priests reported providing advice to business owners who approached them and even putting business owners in contact with other business people who might be useful for their business ventures. One imam was well known for encouraging business owners, whom he knew had similar business ventures in mind, to work together. He would also provide business advice and mentorship to business owners who were new to the community. Additionally, priests and imams reported that business owners would inquire about a potential business partner before joining a partnership with that person. They would want to know if the priest or imam knew if they had a good reputation in business or not.

Religious organizations played a central role in the formation of entrepreneurs’ networks and subsequent information flows. Prayer services at churches and mosques as well as religious educational meetings and classes served as important sites for developing relationships with others that can impact entrepreneurship. Moreover, religious events also showcased entrepreneurs in such a way that facilitated information sharing among entrepreneurs of the same religious community. Entrepreneurs reported using religious events to introduce fresh business ventures and distribute free samples of new products.
One imam, who shared his observations regarding the business owners who attended his mosque, described how participation in a religious community contributed to the formation of one’s business network, information flows, and trust:

Imam: They [businesspeople] get to know each other and they see each other here, they start to trust each other, and he’ll ask about him but they don’t talk about business until they are outside.

Interviewer: They will ask you about each other?

Imam: They will ask one another. The community has this connection and you know this connection helps for the community to grow.

According to the imam, interaction in the religious community eased information sharing among business owners that could be beneficial in finding useful and trustworthy business partners and other network members, such as accountants, financiers, suppliers, and employees. Religious participation also helped create a community among Muslim business owners in which sharing information through frequent interactions enabled the creation of trust.

Religious leaders also played an important role in entrepreneurship by sharing information about entrepreneurs and passing information between entrepreneurs. Religious leaders were well known for connecting business owners with one another when they recognized shared business paths and potential ventures. When entrepreneurs listed religious leaders as the most important people in business ventures, they cited the economic value provided by religious leaders who shared information about them or their business to other community members and entrepreneurs. Additionally, having a priest or imam promote a business and connect entrepreneurs within the religious community
signaled that the business and business owner were marked as trustworthy by their endorsement from and connection to the religious leader.

One interview subject provided a typical example of the importance of the religious community in spreading information. Hani, a Palestinian Christian owner of a home improvement company, explained:

Spiritually speaking, God has blessed me. I am successful because of God’s help. If you asked me, “Has being Christian helped you close a sale?”: yes. I think my religion has been of more help than my ethnicity because churches I have gone to have given me referrals. That is the main reason.

Hani discussed two components of the benefits of religion in this statement. He acknowledged the importance of his belief in a higher power in his business venture and considered God’s blessing influential in his success. At the same time, he also attributed his success to his religious community and the relationships he developed with other Christians. Information sharing has economic benefits. Through these relationships he has received business referrals that enabled his business to grow and develop. It is these referrals through religious others that Hani considers responsible for making his religion more beneficial than his ethnic identity. As subsequent data suggest, it is most beneficial for Hani and those who share his religious faith to do business together because doing business in a religious community not only eases information sharing and the establishment of trust, but also allows for shared religious moral codes to be enforced.

**INFORMATION SHARING OUTSIDE OF THE RELIGIOUS COMMUNITY**

Further evidence on the importance of religious institutions, events, and leaders helping to spread business related information, is seen in cases where information is
withheld from the community. There are cases in which people select not to engage in business agreements with someone who shares their religious faith because of the nature of information flows in these religious communities. Business owners report people consciously crossing religious lines in order to step outside of their religious community for certain dealings they want kept private. Several lawyers, when asked about clientele, reported that they frequently received customers of the opposite religion. Palestinian Muslims went to Palestinian Christian or Lebanese Christian lawyers over Iraqi, Palestinian, or Lebanese Muslim lawyers. A Palestinian Christian who owns a law firm, explained how this cross-cutting works:

I know people go outside their community for legal issues when they don’t want their community to know about a divorce, or an estate settlement, or an injury trial, or business. They go outside to a different religious group because they know the two worlds are kept apart.

I understand this entrepreneur to be saying that the reason for this unique cross-cutting of religious lines when making economic or personal life decisions was due to the fact that people did not want their business to “get out” in the community. This quotation suggests the possibility of information being shared with others if one used a lawyer of the same religious faith. An additional example of the power of information sharing in religious communities was demonstrated through an example on dating practices that one entrepreneur offered. This example is not about information sharing related to business, but was offered in a conversation about business to demonstrate the communication divide between religious communities. The entrepreneur stated:

Yes you always have Chaldean girls dating Arab guys and Arab girls dating Chaldean guys. It is because the two communities don’t talk. A guy can come [to Dearborn] and date and he won’t be looked down upon by his community because they won’t know and same thing with girls.
I assume this entrepreneur is claiming that Iraqi Christians (Chaldeans) and Arab American Muslims (as the majority of residents in Dearborn are Muslim) can date one another because the two communities do not share information. Dating prior to marriage can be looked down upon due to religious and cultural beliefs and traditions. The entrepreneur is saying that in order to date without the possibility of acquiring a negative image, people select dating partners of the opposite religious community. These cases of dating outside of one’s religious community and sharing sensitive personal and financial information with those outside of one’s religious community, suggests that there is less communication between Christian and Muslim communities than ethno-national communities. For example, my interview subjects did not point to a divide between ethno-nationals of the same religious faiths. Lebanese Christians would not have shared information about personal finances with Palestinian Christians and Lebanese Muslims would not date Iraqi Muslims because there were stronger information flows based on religious communities than ethno-national origin.

*TRUST IN THE RELIGIOUS COMMUNITY*

When discussing their business network members, many business owners brought up the presence of trust among those of the same religious faith. Additionally, the financial benefits of trusting others in entrepreneurial pursuits were clearly identified by respondents. For example, Raad, a Palestinian Muslim grocery store owner who was in the process of opening a second store, explained the importance of trust in business when talking about Munthir, a Lebanese Muslim and one of his business partners, who owned multiple gas stations in Detroit. Raad explains:
He [Munthir] has businesses everywhere. He is like a brother to me. We bought a building, I have 9,000 square feet and he has 2,000 square feet. He paid cash and I put the money for the bank on down payment. But we didn’t split up the building at all. It saved money. So he just gave me the cash to help save money and I took out the loan from the bank.

Munthir trusted Raad to put the loan in his name and not cheat him out of the space or money despite the absence of a legal contract. Furthermore, Raad was able to contribute more money for a down payment, thus obtaining a better deal on a loan, due to Munthir’s trust that he could pay Raad cash in advance.

Trust between business owners of the same religious communities also ensured that business owners would not compete against each other and engage in undermining prices. Maha, a Lebanese Christian lawyer, explained how trust between Christians guaranteed that an employee who opened a competing business would not undermine her business ventures and affect her profits. When asked to name the most important people to her business, Maha answered “Paul, he worked here for 5 years and then he opened his own company, it is just down the street.” After asking how she felt about the entrepreneur opening up a similar business so close to hers, she responded: “There is an unwritten rule among Christian lawyers to not cut fees to attract business, because this would lower prices and profits for everyone.

The role of religion in developing trust among business network members was also evident in the justifications people gave for the selection of network members and the success of their businesses. For example, an Iraqi Muslim who opened a website design and advertising company after migrating to the United States in the 1990s from a refugee camp in Saudi Arabia, explained how membership in a religious group facilitated trust and attracted business. He stated, “Muslims come to my business because they know
they will be taken care of. . . . I know they come to me because I am Muslim. They can trust me.” A Christian Palestinian similarly offered, “When people see that you are religious they are more willing to trust your work.” For business owners, maintaining a religious identity and membership in a religious community signaled to network members, suppliers, customers, and other community members that they and their business products could be trusted. Furthermore, data on the role of religious organization leaders sharing information and assisting in network formation eases the formation of trust among entrepreneurs.

Scholars of ethnic economies argue that shared ethnic communities established through personal networks and group solidarity ease the flow of information and facilitate the establishment of trust between business network members that makes ethnic economies thrive. The data here demonstrate that religious communities function the same way. Entrepreneurs support those who share their religious faith, share information with co-worshipers, and establish trust on the basis of religion. What is unique about religious communities and what makes developing networks, bounded solidarity, information flows, and trust within the religious community all the more important is that religious moral codes can be enforced through information sharing among community members and sanctioned by religious leaders and belief in a higher power. As will be demonstrated in the subsequent section on moral codes and the enforcement of these codes, if an entrepreneur betrayed the trust of other business people, or defied shared religious moral codes, religious organization leaders would chastise these entrepreneurs.
SHARED RELIGIOUS MORAL CODES

What distinguishes religion from ethnicity, and allows religious capital to provide benefits that ethnic capital does not, are the shared religious moral codes associated with religion (See Table 4.4). What makes shared religious moral codes different from codes of conduct established by an ethnic group is that religious moral codes are based on religious doctrine and teachings and are enforced not just by the religious community, but also by religious leaders and belief that a higher authority may also enforce a punishment or sanction. Shared religious moral codes provide extra assurance in business dealings among those who share the same religious community because they are rooted in religious beliefs and enforced by religious authorities.
Figure 4.4: Five Beneficial Mechanisms of Entrepreneurship

**ESTABLISHMENT OF SHARED RELIGIOUS MORAL CODES**

Religious beliefs can be internalized, which encourages one to act according to religious moral codes (Geertz 1973; Weber 1930; Durkheim [1912] 2001). Moral codes are codes of conduct based in religious texts, teaching, and beliefs. Religious moral codes can address daily life activities and habits or focus specifically on proper religious business conduct. For example, a Lebanese Christian who owned a road construction
company explained how religious moral codes influenced his business. When asked
about the role of religion in his business, he offered this insight:

The message, if we study religion, can distill into two things: love God
and love your neighbor. If you are honorable, people will respect you and
others. There is a moral code to adhere to that makes me a better
businessperson.

By advocating these religious principles of love, honor, and respect, Christianity provided
the business owner with a moral code that he reported helped steer his business and
contributed to making him a better businessperson. A Lebanese Muslim restaurant
owner, provided additional insight on how religious moral codes influenced business:

People see these morals and they see that I am always here working. They
see that this is a clean, good, Muslim-run place. There is a certain way
Muslims run businesses—not all Muslims, but most. There is a different
moral sense that comes with business.

He similarly explained how shared religious codes of conduct that are recognized by his
religious community contributed to his success in business.

Shared religious moral codes can carry economic advantages (and economic
consequences). A Palestinian Muslim who owned a cellular phone store stated: “Your
religious identity will make you ethical—otherwise people won’t spend the money.”
This entrepreneur explained that without maintaining a religious identity, which signaled
that one held and maintained certain religious moral codes of conduct, a business owner
would be subject to economic sanctions from his religious group. A Lebanese Muslim
who owned a dry-cleaning business that served very few Muslim clients provided a
similar explanation regarding the importance of demonstrating his religious faith and
community membership to business success. The entrepreneur noted, “If I was only
working with Muslims, it would be more important that I act like a good Muslim in order
to help my business.” The example of this entrepreneur further demonstrates the economic importance of following or acting as if one upheld shared religious moral codes in order to signal to others with whom he worked that he will act according to religious group standards.

**ENFORCEMENT OF SHARED RELIGIOUS MORAL CODES**

Shared group membership plays an important role in enforcing trust. Group membership allows one to trust another person regardless of one’s direct knowledge of them (Portes and Sensenbrenner 1993). A business owner knows that if another person with whom she has a shared group identity deceives her or breaks an agreement, the untrustworthy person will be sanctioned by the social group both parties share. As was seen in the case of the Jewish diamond traders Coleman discusses, trust is rarely broken, because the severity of sanctions could ruin not only one’s economic standing but one’s social standing and relationships as well. As Portes and Sensenbrenner (1993) write, “The predictability in the behavior of members of a group is in direct proportion to its sanctioning capacity” (1332). In addition to moral codes being rooted in religious beliefs and teachings, shared religious moral codes also differ from other codes of conduct established by an ethnic group because they are enforced by religious organization leaders and religious belief in a divine authority.

When entrepreneurs betray the trust of others and go against religious norms by ripping off a customer, delaying a payment for a supplier, or cheating a partner, sanctions can be implemented against that business owner. Networking with others with whom one shares a community is important as this community allows for information to be spread
when violations occur warning others about the entrepreneur and to encourage the culpable business owner to more properly follow moral codes. For example, a Lebanese Muslim who runs several restaurants, provided one illustration of the use of sanctions following the betrayal of trust:

If they [the customers] hear something about a certain butcher—he is going out, drinking, whatever—who works at a restaurant then they don’t want to go there, and they don’t trust that it is halal. They don’t trust that he is cutting the meat properly either.

The hypothetical business owner broke a religious norm by drinking alcohol and spending time away from his family. Therefore, the community no longer trusted him or the products he sold. Shared information about the misdoings of this business owner ensured that no one in the community would continue to support the business.

Additionally, both Christian and Muslim religious leaders reported interceding if they knew of entrepreneurs breaking shared religious moral codes, which included cheating, fraud, selling morally questionable materials such as cigarettes, pornography, and alcohol, or keeping their business open during Sunday or Friday religious services. Religious leaders would meet with members who were partaking in behaviors that betrayed the religious moral code of business conduct to explain to them why these activities were considered sinful and detrimental not only to the entrepreneur but to the larger community as well. Religious leaders also reported discussing these sins in prayer services and sermons.

Not only were certain moral codes upheld and enforced by religious leaders, but these codes were also associated with a belief in a higher power to enforce religious moral codes of conduct. A close informant and Lebanese Muslim whose family owned a
real estate development company, best summarized the power of belief in divine religious authority enabling shared religious codes to be followed in business. He explained why people stressed the importance of religious community in business transactions “Because that way they [business owners] will have God on their side and if someone betrays them, they’ll [the betrayer] have to face God.” This quotation helps to clarify why religious capital is more effective in economic transaction than ethnic identification. Religion provides belief in a divine religious higher authority while ethnicity does not. Enforcement of shared religious moral codes from the business community, religious leaders, and belief in a divine religious authority encourages members of religious communities to abide by religious codes. It is more effective for ethnic entrepreneurs to develop networks with those who share their religious beliefs than those who do not. If they developed networks with those who share their ethno-national community, but not their religious community, and a business dealing went awry, they could turn to the ethnic community to sanction and punish the deceiver, but the ethnic community can not provide additional enforcement through religious leaders and the possibility of punishment from a divine religious authority. In contrast, if a business dealing between entrepreneurs of the same religious community goes awry, the wrongdoer will face punishment from the tightly knit religio-business community, religious leaders, and potentially from God.

It is also possible that enforcement of shared religious moral codes by the business community, religious leaders, and belief in a divine religious authority promotes adherence to these moral codes of behavior—even if the entrepreneurs do not believe in the importance of moral codes or in the power of divine authority and religious leaders
(Swidler 2001; Derné 1995). If one did not believe in religious teachings, or higher spiritual authority, it might nevertheless be beneficial to form networks and develop bounded solidarity with those who shared their ostensible religious faith in order to take advantage of the economic benefits provided by information sharing, the establishment of trust, and the enforcement of shared religious moral codes.

CONCLUSIONS

Social networks and bounded solidarity create communities for entrepreneurs in which they can share information and establish and enforce trust. These mechanisms ease entrepreneurship and researchers have clearly established that ethnic communities enhance the benefits and formation of these four mechanisms. Religion is frequently neglected in studies on entrepreneurship. Those studies that do acknowledge religion often conflate it with ethnicity (See Table 4.1), focus on the benefits of religious communities, or stress the importance of beliefs specific to one religion, rather than focusing on religion as a form of capital.

By selecting an ethnically and religiously diverse business community that shares languages, communities, and formal business organizations (to name a few of the similarities between this diverse group of Arab Americans), I was able to examine religious identities and relationships separately from ethno-national identities and communities. In doing so, this research demonstrates that religion functions much like ethno-nationality. Both ethno-nationality and religion can assist in network formation, bounded solidarity, information sharing and trust. Additionally, analyses of business
networks illustrate that networks are formed with people who share one’s religious and ethno-national community.

There are, however, important benefits to examining religion separately from ethno-nationality. People talk about bounded solidarity, information sharing, and trust in terms of religious communities—not ethno-national or panethnic communities. These findings demonstrate the merits of applying the combination of religious communities and beliefs through the application of religious capital—defined as the skills, emotional attachment, knowledge, beliefs, and relationships established on the basis of religious identity that can be transferred into financial capital—to scholarship on economies that tend to emphasize ethnic capital. Further incorporation of the concept of religious capital in studies of entrepreneurship is important for two reasons. Future analysis of religious communities should apply a concept of religious capital that includes both belief and community because it is only through these two components that the mechanisms of shared religious moral codes emerge. Incorporating shared religious moral codes is so important because data from this research demonstrate that membership in a religious community and knowledge and adherence of religious beliefs can be transferred into economic capital in the ethnic economy in a way that is different from that provided by ethnicity. Shared religious moral codes are different from moral codes of conduct that co-ethnics might abide by because they are rooted in religious beliefs and enforced not only by religious and business communities, but also by religious leaders and belief in a divine religious authority. Shared religious moral codes demonstrate the importance of considering the role of religious capital in the ethnic economy and untangling religious
communities and beliefs (i.e. religious capital) from ethnic organizations and relationships (i.e. ethnic capital).
CHAPTER 5: MARRIAGE AND KINSHIP

INTRODUCTION

This dissertation sought out to determine how religious, ethno-national, and panethnic identities influence business networks. In chapters 3 and 4, I argue that while there is a thriving Arab American panethnic community, both network data and entrepreneurs’ explanations stress the importance of forming business ties with those who share one’s ethno-national and religious community. Entrepreneurs did not tend to develop business practices with the larger Arab American community based on panethnic unity. Entrepreneurs also did not form networks with all members of their ethno-national origin group regardless of religious faith. At the same time, Christians did not network with Christians and Muslims did not network with Muslims regardless of ethno-national origin. Instead, entrepreneurs were most likely to develop business ties with those who shared both their ethno-national origin and their religious faith. However, Chapter 4 also demonstrates that while business relationships do form along ethno-national and religious lines, religious capital plays an important role in economic life and works separately and distinctly from ethnic capital due to shared religious moral codes.

This chapter explores the role of kinship and family connections within these business relationships. With rare exception, family members shared the ethno-national and religious community of the entrepreneur. Sanders (2003) argues that previous scholarship on ethnic economies has overlooked the role of the family in entrepreneurship by focusing on the larger collectivity of the ethnic group. Certainly, ethnic capital matters significantly in the entrepreneurial process and Sanders (2003)
acknowledges this. However, he also, stresses the importance of considering the institution of the family as a smaller unit of organization that is also influential in economic exchanges. Fukuyama (1995) argues that family can serve as such a resource in ethnic entrepreneurship because trust between family members can be greater than all other relationships. Social ties between family members tend to be tighter and more intense than those with non-kin. My observational and interview data certainly demonstrate the importance of family support in business. Yet, the picture is much more complex than an economy that is successful because of the resources provided by family and the larger ethno-national group. Entrepreneurs hire and network with non-ethno-nationals and stress the importance of shared religious communities with families over shared ethno-national communities.

This chapter has two objectives. First, I explore the role family plays in business through providing employment, training, and loans. Second, I extend the data entrepreneurs provided in the previous chapter in regards to the importance of religion in business by exploring how entrepreneurs talk about the role of kin and religion in entrepreneurship. I argue that when entrepreneurs select people for marriage and business partnerships, shared religious communities are of utmost importance. In fact, entrepreneurs often discussed marriage selection when talking about business communities using the same logic of selection for both marriage and business partners.
IMPORANCE OF FAMILY

EMPLOYMENT

Research on ethnic entrepreneurship and ethnic economies stresses the importance of the ability of ethnic business owners to hire family members. Portes (1998) writes:

immigrant families compensate for the absence of the third form of social capital—outside networks—with an emphasis on social capital in the form of familial support, including preservation of the cultural orientations of their home country (14).

As Portes (1998) explains, immigrant families lack external networks and rely on one another for business support. However, family does not simply serve as a substitute for external networks—family provides benefits beyond those available through outside networks. Using family members as employees allows entrepreneurs to pay employees less than they would be required to pay non-family employees. Additionally, family members report working longer hours than paid non-family employees. There are other benefits to hiring family members. Relying on employment, advice, and support from family members reduces business costs as research on reactive ethnicity and out-group formation suggests, family members, like other co-ethnics will bond together to improve the economic success, and in turn social, economic, and educational opportunities of the group.

Moreover, scholars argue that higher levels of trust between family members eases the entrepreneurial process (Fukayama 1995). Entrepreneurs included in this research continually stressed the importance of family employees in the success of their firms. Interview subjects explained that hiring family cut business costs because of
levels of trust between family members. Business owners reported having to monitor non-family employees more to ensure that they were not stealing money or supplies from the business. Entrepreneurs even offered the ability to hire family employees as the key to success for Arab American entrepreneurs. One entrepreneur who owned several restaurant franchises and had worked in the corporate headquarters of the chain explained the differences between those franchises that were owned by Arab Americans and those that were not:

Family owned businesses people work hard in and they don’t waste the money on payroll. The most successful of the sandwich chains are Arab owned because they don’t waste the money on paying for managers. They have the lowest percentage of managers and staff who steal and that costs restaurants so much money.

In addition to stressing the importance of not having to pay family the same amount one would need to pay a non-family employee, this entrepreneur also explains the importance of trust among family members. According to this business owner, family employees do not require as much management as non-kin and are less likely to steal from a family member’s business than non-kin employees, which increases the profits and success of Arab American-owned franchises. Similarly, when asked how he found employees, one entrepreneur gave this common response “I trust my family, so I hire them. My cousins are my employees because I don’t need to worry about them taking anything from me. Honestly is really important to me.” The positions family members held in businesses also demonstrated the presence and importance of trust in the entrepreneurial process. When touring businesses, entrepreneurs would often introduce me to employees and I quickly realized that family members, especially close kin, were in the most integral positions to the business. Family members often worked in positions that involved
managing money, accounting, developing business plans, and running the company in the absence of the owner—all positions that one would only give to those one trusted the most.

**TRAINING & STARTUP**

A significant portion of my interview script focused on gaining an understanding of how entrepreneurs came to own businesses in Metropolitan Detroit. Business startup stories were complex and filled with challenges that had to be overcome. These stories, however, provided a wealth of information on the entrepreneur’s support systems and networks. Family continually played a major role in providing the training, advice, experiences, and financing for business development. When asked how he started his business, one entrepreneur provided this representative narrative that captures the role of family, extended family, in-laws, and friends of family in the process of starting multiple businesses startup:

My Uncle Joe gave me my first taste of the grocery business because I worked in his stores. People who have come before you, help you. My mother believed in education. My intent was to be a lawyer. I completed one year of law school, and then my brother got ill and I had to take over his grocery store in Detroit. He eventually got better and we started a business together and ran it together for 10 years. I realized over this time that we had different management styles and personalities and I decided that if I stayed working with him it might jeopardize my future. So, with the help of my Uncle Joe, I got into the equipment rental business. We had a family friend who had owned a few equipment rental stores and had quite a lot of success in it. My uncle’s friend lent me $30,000, but he was a shrewd business owner and he had me sign a legal business document. I opened the equipment rental store with my brother-in-law. The friend who owned the other rental store helped us find the location and the inventory. We worked at the store for two years and paid back the $30,000 plus interest. That led us to open our second store near our house.
This narrative demonstrates how kin, in-laws, extended kin, and family friends are integral to and interwoven throughout various processes of this entrepreneur’s multiple business endeavors. All of the new businesses this entrepreneur developed were with his brother and brother-in-law, which was a very typical response from business owners in this study. Moreover, this quotation suggests the importance of sacrificing and supporting family in their businesses as the entrepreneur explains that he left law school to run his brother’s business when his brother fell ill. Another entrepreneur explained how he transitioned from employee to entrepreneur and the role his brother and brother-in-law played in the process:

After two years of working in a liquor store for my brother, I bought my own. I then moved from the liquor store to the restaurant. My brother-in-law came in the 1980s, came from Washington, and bought a restaurant. He wanted to go back to Lebanon for a few months, so he needed someone to help with the store, so I stayed with him to learn. He left for 6 months and I liked it—more than the liquor store. I kept working at both for two years then I opened my own restaurant.

Having the opportunity to work for his brother allowed this entrepreneur to save enough money and develop the necessary skills to open his own liquor store. Supporting his brother-in-law by helping him run his business while he was away in Lebanon introduced this entrepreneur to another type of business. This exposure widened his entrepreneurial expertise and training and allowed him to develop his own restaurant that he grew into one of the most successful chains in the area. This excerpt also illustrates the role of family support because when the in-law needed to travel, he was able to hand his business over to this entrepreneur. Other business owners further emphasized the role of networks that families shared with one another. One entrepreneur explained that his uncle played a major role in the development and success of his business because “he
helped me establish certain connections with people in the business and referred me to people who are involved in this business”.

Interview subjects repeatedly explained that watching family members run businesses and working in these businesses gave them direct business knowledge and skills that enabled them to be successful business owners. When asked about the role his ethnicity played in his business, one entrepreneur responded:

Very simply, my dad owned a liquor store for 25 years. When I wasn’t in school I was in the store. Without that background, my business would not be as successful. I am a good businessman. I am good with numbers, good with people, good with the salesman. A lot of my classmates in graduate school finished higher in the class, grade wise, but I’ve been more successful after than them. There is also an art of negotiation that they can’t teach you in school.

I understand this entrepreneur to be claiming that there are skills that he learned from working in his father’s store that were unobtainable through formal educational attainment. Moreover, without developing these skills in his youth, the entrepreneur would not be as successful as he is today. He also considered this training to be something that was unique and part of his ethnic background that gave him an advantage over those without such roots as he provided this response when asked about the benefits and downsides of his ethnic identity. Another subject discussed the competitive advantage in business that he gained from working in a family business in his youth.

My work ethic helped me. My dad had businesses and it seemed so natural. My dad had stores and an import business with his brothers. My college questioned me when I said I wanted to open my own practice after only two years of experience. But we lived it.

This entrepreneur is claiming that his father’s and uncle’s entrepreneurial endeavors helped him develop a work ethic and set of experiences that
distinguished him from his school peers and allowed him to start his business sooner. Both of these quotations suggest that family business experiences offer a skill that cannot be taught through formal education and that others may underestimate or not understand the value and advantages of these lessons.

Arab American families also made it a priority to pass entrepreneurial experiences and knowledge onto their children. Even parents who stressed the importance of education and encouraged their children to obtain advanced degrees, so that they would not have to work in a liquor or dry goods store as so many early Arab American immigrant entrepreneurs did, still passed on entrepreneurial knowledge. As a result, Arab Americans with advanced degrees and professional careers used this entrepreneurial training they received in their youths to develop businesses. For example, in the previous two quotations, one entrepreneur had obtained a graduate degree and the other a medical degree. Another entrepreneur with a graduate degree explained the importance of both formal education and entrepreneurial training:

My dad had a business back home. He spent 50 years in the carpentry business. He told his kids that they could go to college only once they learned the business. I worked with him and learned everything. If one of my employees is ever out, I can fill in. I know how to do every job. I came here and went to school. I got a bachelor and masters degree and worked as an accountant for 8 years. I got a job in Michigan and then 6 months later they transferred me to Arizona and I spent 8 years there. My brother and I talked about starting a family business and we did. It started off as a joke and it actually happened. About 3 months into it, he decided he wanted out, because you have to be here all day every day. You have to work here on the weekends and until late at night and he didn’t want that. When we first started we had hard times. I used to mop the floor at night because I couldn’t afford a janitor. But, if you have a good product, good service, and personal relationships, then your business will do well. You have to run a place with decency—even despite the people who will
take advantage. Word of mouth is also important for establishing this business.

With this quotation the entrepreneur is suggesting that training in a family business and formal education were both important values in his family (as they were in so many others) that did not conflict. Moreover, even after obtaining an advanced degree and successful professional career, this entrepreneur still felt a drive or responsibility to return to the family business to make use of his expertise and continue the family business legacy in the United States. This narrative provides additional evidence supporting the importance of family in business training and in encouraging and facilitating the startup process. His brother did not remain in the business for long, but it was with his brother’s help and encouragement that he was able to leave a professional occupation as an accountant and become a business owner.

Other entrepreneurs provided additional insight on the importance of family in business through discussions of sacrifice. An entrepreneur who owned several successful pizza franchises, among other businesses, explained that part of the reason he owned so many franchises was because he tried to support family. He explained:

My brother’s best friend opened a pizza chain and I helped him open it and learned about how to run it through that experience. Through this is how I got to know corporate and develop a good relationship with them. They asked me to start helping them open new stores and train new people. I like to travel, I like to party, and I like to work hard. I work hard and I play hard. Then I started doing mortgages and making money. I was very busy, but my brother wasn’t doing anything. He had stopped going to college and he approached me about opening a restaurant chain. He found the location.

This quote again demonstrates the role of family and family friends in the business development and training process. Yet this excerpt also illustrates the
importance of sacrificing for family. The entrepreneur was willing to help his brother open a business at a time when he was very busy and financially successful. It was also not uncommon for the most financially successful entrepreneurs included in this research to open businesses simply to employ and support family and their children. Even with other jobs and training experiences, other entrepreneurs similarly reported a desire to support family and be a part of a family business. One lawyer offered this explanation for why he started a business:

I started an international shipping company with my in-law, part-time. I had the legal knowledge for the business because I studied it in law school. I thought it would be a mechanism to make money while working in the family business. We should ship auto glass, furniture, machinery, and personal household goods to the Middle east and North Africa and also within the US I learned more about starting and running a business. I got to shape the company to a certain point then I brought someone in to run it. In 1997, I started to practice more law.

I understand this entrepreneur to be saying that he went into business with his in-law to make extra money in a way that would fulfill his desire to be a part of the family. Even with his work as a lawyer, it was still important for him to continue his family’s business legacy.

LOANS

Close family members and in-laws also served as important funding sources for business start-ups. The majority of businesses were started through formal credit sources, such as bank loans and credit cards. However, the second most common funding source was ethno-national others of the same religious faith and this is because kin, with rare exception, shared the ethno-national and religious identity of the
entrepreneur and provided funding. Close kin provided loans and business owners also reported receiving help funding their businesses from in-laws. Once they were more established, entrepreneurs also discussed providing loans to siblings and people who married into their families to help them develop businesses of their own. One business owner explained:

My brother-in-law supported the business. He provided the credit source. It is very hard when you’ve never owned a business before to get credit. He used his credit source because he had owned a business before. He owns gas stations.

In addition to passing on training, siblings and in-laws passed on the necessary funds for business startup. When asked how he got funding, another entrepreneur responded: “We didn’t take out any loans. We helped my father in his business our entire lives without any pay and he wanted to give a gift to us”. This quotation demonstrates the mutually supportive relationships that can make family-run businesses so successful. As numerous studies on ethnic capital have demonstrated, in addition to providing funding to start a business, families also provided discounts to one another. One entrepreneur explained how discounts from family members provided further financial assistance and allowed him to open his business: “my vehicles were purchased from a family member who gave me a good deal on the cars that I needed”.

**DOWNSIDES TO FAMILY TIES**

As the previous section explores, family provides training, mentorship, employment, and financial support that can help people start businesses and reduce costs once businesses are running. Family members also tend to have higher levels of trust with one another than they do with non-kin, which further eases the entrepreneurial
process. Despite the benefits associated with working with kin in business ventures, these relationships are not always free of problems and complications. Due to the intensity and close nature of family ties, if a disagreement or fight happens among family for personal reasons, this can then seep into the business life of the family as well. Uzzi’s (1996) research best describes this downside of social ties. Uzzi conducted interviews with CEOs and employees of apparel firms in attempts to better understand how social ties actually affect economic outcomes. He found that because networks are multiplexes (meaning they cannot be reduced simply to economic relationships because they include aspects such as power and friendship), they might not always be the most efficient way to conduct business. Others have found that because of the multiplexity of networks, networks can actually be the cause of entrepreneurial failure (Powell and Smith Doerr 1994). Family ties are certainly one of the most developed forms of multiplexes.

Entrepreneurs explained being unhappy partnering or working with family members. Disagreements in business and the dissolution of family businesses were not rare. Even in the examples presented above that explain the importance and value of family in business development, there are sections of the narratives that describe splits in business ideologies and expectations between kin who co-owned businesses. Some kin realized they were not cut out for entrepreneurship. The entrepreneur who had opened a carpentry business explained how his brother came to this realization: “My brother and I talked about starting a family business and we did. It started off as a joke and it actually happened. About three months into it, he decided he wanted out, because you have to be here all day every day”. Others had more major issues with the business ideologies and
practices of family members. An entrepreneur quoted above provided this discussion about his brother: “I realized over this time that we had different management styles and personalities and I decided that if I stayed working with him it might jeopardize my future.” I understand this entrepreneur to be suggesting that his brother was involved in illegal or unethical behaviors. This business owner decided it was better to end his business relationship with his own brother than risk being caught up in activities that he claimed could prevent him from working in business in the future.

Another downside was that some business owners reported being taken advantage of by family members. Typically entrepreneurs worked for parents or extended kin, developed business expertise, and then opened their own businesses with savings and loans from family. Working in a business, especially a liquor or convenience store as so many Arab Americans did in their youths requires extremely long hours. Many businesses are open from sun up to sun down. It was not abnormal for people to report working 15-hour days seven days a week eating all meals and taking all breaks in the store. More recent immigrants were most likely to work these jobs with long hours in service as they often lived with extended kin, who might have helped them migrate, and in return for this help and/or due to the lack of other employment options, they worked in the businesses of extended kin. Here is an excerpt from one interview subject who explains this common experience for Arab American immigrants:

I came to the US on a student work visa. I was going to attend a university in Florida, but the only relatives I knew lived in Chicago so I went there. Right after I arrived we went to Flint, Michigan to attend a party of some cousins. My relative there who I was meeting for the first time owned a grocery store and he said to me that if I worked in his grocery store then he would pay for my schooling. I stayed and at that point entered what I refer to as indentured servitude. I worked for him no
less than 60 hours a week while attending school. I took classes early in the morning or late at night. A lot of others who come would similarly describe the experiences working for family members as indentured servitude.

This interviewee had gone on to obtain an advanced education and job outside of business ownership in order to separate himself from the entrepreneurial process that he considered to be successful because of the efforts of unpaid and overworked kin. As a student he had sought out other Arab American immigrants to ask them about their early employment experiences and found additional evidence of the presence of indentured servants living in the Arab American community.

MARRIAGE AND BUSINESS PARTNERSHIPS

Discussions of family in business pointed to the importance of in-laws in providing training, loans, and employment. There was not a great divide in how entrepreneurs’ discussed relationships with their own siblings and their relationships with those who had married into their family. In addition to in-laws being important in business, discussions of marriage and dating also emerged in interviews. I was initially surprised that a project focused largely on business would spark discussions on marriage and dating, but as I learned more about the importance of family and in-laws, discussions on marriage and dating made more sense. After further analysis of these discussions, religion appeared to be another theme that ran throughout discussions of marriage and family in business. Religion proved to play an important role in both marriage and business. Moreover, entrepreneurs used a similar logic when they would discuss religion in business and religion in marriage. In fact, examples of the importance of
religion in marriage were often included in order to make points about religion in business.

One business owner, whom I met and interacted with over the course of my fieldwork, used an argument about marriage and religion to support his claims about business and religion. In one of our early meetings, the entrepreneur wanted to tell me about why he thought Arab Americans have done well in business and why he thinks they could be even more successful. In the excerpt from the transcript that follows, the entrepreneur highlights a number of different explanations for business success. He began by talking about the importance of minority status in the businesses of Christian Iraqi entrepreneurs. He explains:

Chaldeans are more united because they are the minority, which makes them more bonded—just like Jews. Jews do better than Arabs because they are more bonded. They are more a minority. Chaldeans can be in the country for 5 years and become not just millionaires, but multi- multi-millionaires. For Arabs it is not like that. If you were opening a store and someone came to your store and bought stuff from you and everyone else did it too—especially those other millionaires—then you would become rich too. Here we [Lebanese Muslims] just don’t do that.

I then asked the business owner if the ethnic enclave, in which his business was located, was only populated with a minority group, such as Lebanese Muslims like himself, would the people here be more united? His response then shifts to the importance of religious unity over minority status in the success of businesses:

Well, it basically is just Lebanese Muslims here. I think the problem is religion. In Muslim services they always talk about fire and that you will go to the fire, that you have to wash your right hand before your left. Muslim mosques are less united. They don’t serve to unite the people. At churches they are always telling them how to raise their kids, let’s all meet at this one place on Saturday to support the community, support a member of the congregation. They are more united. I know this because of sitting through services and taking pictures. I’ve been to plenty of
services for both Christians and Muslims.

I understand this entrepreneur to be claiming that Christian organizations promote unity more than Muslim religious organizations and that such unity is partially responsible for the success of Christians (and a more important factor than minority group standing that he previously discussed). Religious unity encourages members to support the businesses owned by those who share their religious community and as he explains become rich quickly. Due to his Muslim upbringing and his work photographing events in Muslim mosques and Christian churches, he was in a unique position to provide a comparison on the level of unity stressed through Muslim and Christian institutions. To conclude his argument about the importance of support from one’s religious community in the business process, the entrepreneur then stated “I think a Lebanese Shia would be more likely to marry an Iraqi Shia than a Lebanese Christian. Because religion is the most important”. By including this point about marriage at the end of a discussion of business success being linked to support from one’s religious community, the entrepreneur is demonstrating a similar logic in how people think about religion in marriage partnerships and business ties. Religious unity is important for businesses and religion is important in marriage unions—more valuable in fact, than other identities and communities, such as one’s ethno-national group.

The role of religion and marriage was brought up in another interview by an Iraqi Christian of Chaldean descent. Here is an excerpt from my fieldnotes on a conversation that took place directly after our interview concluded:
At the end of our interview he started talking about his daughter. He pointed to a picture of her with her fiancé on a bulletin board on his desk. He tells me that her fiancé is Polish. He talked about their wedding and how they met. He told me that he would prefer if her fiancé were Chaldean. He talks about how much they make. His daughter is drug rep. Then he tells me a story about when she was dating a Muslim who worked at the hospital and how he loved her and cared for her and he wanted to meet her parents and marry her. He says he refused to meet this man because he didn’t want his daughter marrying a Muslim. He just knew it wouldn’t work out. His daughter cried and the man said he wanted to come to her parents and explain the difference between Muslims and Christians.

This entrepreneur interacted daily with Muslims in his business. In fact, Muslims from various regions throughout the Middle East were his main customers. Moreover, he respected and accommodated for their religious practices. He had actually constructed prayer rooms in his business for both women and men so they could pray while they were there and could do so separately. Despite his respect for Islam, when it came to his daughter’s dating habits, he would still prefer she marry a Christian of Polish ancestry than a Muslim of Middle Eastern descent.

The Lebanese Muslim photographer reported that the creation of Christian millionaires was due to bounded solidarity and religious unity encouraging Christians to support businesses owned by members of their religious community. This entrepreneur demonstrates a similar point, but about Muslims. He stated “I go and buy from Muslims stores, but they don’t buy from Christian stores”. I understand this entrepreneur to be suggesting that while he supports Muslim businesses there is a divide in the business community based on religion. Both of these examples demonstrate a similar function of or logic in the role of religion in both marriage practices and business support.

A final example that clearly presents the connection between religion, business,
and marriage can be seen in an interview with a Palestinian Christian who owns a
restaurant in Dearborn. When talking about the role of religion in business the
entrepreneur tells this story:

The other day there was this kid in here and he wanted a job and I was
talking to him and I asked him: nationality or religion matters more? And
he responded, religion. He was Iraqi and I said you are of the same
nationality why does religion matter most. And he said because religion
dictates. It is unfortunate because Arabs won’t succeed because of
fighting over religion. You can’t get 10 Arabs in one room to agree on
anything. To succeed as a culture here we have to be united. You have
Yemeni fighting Iraqi here in school, you have Lebanese fighting Yemeni.
Unless we can all unify, have a common ground, our problem in the
region will never change. We now have the two parties in Palestine, and
that is frustrating. People of the Jewish faith, they come here and they
offer each other jobs and support each other and help and in our culture
when someone has success everyone thinks he is dealing drugs. There is a
jealousy here. Do you see how many hair salons there are in Dearborn?
And you see how many pizza places there are. Cannibals in business in
Dearborn.

The business owner laments the lack of unity between Arabs of Christian and Muslim
faiths. He also laments the lack of ethno-national unity between Iraqis, Lebanese,
Palestinians, and Yemenis in the community. In this example, the entrepreneur holds
religious differences responsible for fueling a level of competition in business. I
explained to him that other interview subjects have said something similar about how
Christian Iraqis are more supportive of one another. Following this comment on the role
of religious unity among Christians, he responds with a point about dating practices:

Yes you always have Chaldean girls dating Arab guys and Arab girls
dating Chaldean guys. It is because the two communities don’t talk. A
guy can come here and date and he won’t be looked down upon by his
community because they won’t know and same thing with girls.

This entrepreneur responds to my question about unity based on religious and
ethnic identities aiding business success by offering supporting evidence through dating
patterns. If an Iraqi Christian can come to the largely Muslim ethnic enclave and date without members of his Chaldean community knowing, then it is likely that there is little business outreach, communication, and support between these two groups.

CONCLUSIONS

Based on the evidence presented here, Sanders (2003) is certainly correct in stressing the need for additional scholarship on ethnic economies to examine kinship ties. Siblings, parents, extended kin, and in-laws provided support throughout the different phases and challenges of the entrepreneurial process from business startup to business expansion. Examples of family members sacrificing for one another and returning to their entrepreneurial roots after earning advanced degrees and professional positions to continue and assist family businesses further demonstrate the importance of entrepreneurship in the lives of Arab Americans.

Yet, despite the integral influence of family ties, it is important to note that this community is not the immigrant enclave that Portes (1998) describes in which “immigrant families compensate for the absence of the third form of social capital—outside networks—with an emphasis on social capital in the form of familial support” (14). In fact, entrepreneurs in this community rely heavily on relationships outside of the community. As Chapter 3 and 4 demonstrated, while 74% of employees were Arab American, 26% of employees were non-Arabs. Similarly, while 79% of important business network members were Arab-American, 21% were members of other ethno-national groups. Family is linked to business success, but plenty of entrepreneurs have sought out and have access
to members outside of one’s family and the panethnic group. The success of Arab American entrepreneurs included in this study can not be simply attributed to the benefits of family ties.

Another important finding from this research is the importance of religion. Just as Sanders (2003) reminds researchers of ethnic economies to look at the role of family ties within ethnic bonds, this dissertation has illustrated the importance of researchers exploring religious ties among ethnic bonds. By not examining the influence of religious identities and communities in the entrepreneurial process, and given that my subjects tended to marry members of their ethno-national and religious group, religious capital could be conflated with both ethnic capital and the advantages provided by kin.

In discussions of marriage and business, entrepreneurs pointed to the importance of religious communities. Entrepreneurs even presented the salience of religious communities over ethno-national communities by stressing that marrying outside of the ethno-national group was better than marrying outside of one’s religious group.

Considering the importance kin plays in business, and the fact that in-laws are quickly incorporated into business ventures, it is possible that shared religious faith proves more important than shared ethno-national communities because of the benefits of religious capital and shared religious moral codes.
CHAPTER 6: TRANSNATIONAL ENTREPRENEURSHIP

INTRODUCTION

Chapters 2 through 5 examined the domestic experiences of Iraqi, Lebanese, and Palestinian entrepreneurs in the U.S. This chapter turns away from the local focus to explore the international business activities of these entrepreneurs. Transnational opportunities, broadly understood as the processes through which immigrants create social, economic, and political connections across national borders (Basch, Glick Schiller and Szanton Blanc 1994), are continuously expanding due to technological advances that ease global transportation and communication. Even as people become more connected across nation-state boundaries, in the aftermath of 9/11 Arab Americans have not had equal access to transnational opportunities and conflicts and wars in the Middle East have further complicated overseas travel and investments.

In addition to exploring domestic business networks of Arab American entrepreneurs, I also asked entrepreneurs about transnational business ventures. Business owners expressed intentions to develop ties in the Middle East through transnational business development. Additionally, literature suggests that states with financial needs like those of Iraq, Lebanon, and the Palestinian territories court expatriates to contribute economically to their countries of origin (Iskander 2010; Brand 2006). Nonetheless, I discovered that political contexts constrain economic transnationalism. Furthermore, these political constraints are variable and exist on both sides of international borders. The entrepreneurs reported the significance of political contexts in both the United States and Middle East in limiting transnational opportunities. Entrepreneurs identify two major
barriers to transnational investment: 1) political instability in the Middle East, which can result in corruption and violence, and 2) monitoring of economic activity by the United States.

Despite these barriers posed by political conditions in the Middle East and the United States, individuals have created transnational options that bypass political constraints. In this chapter, I explore two strategic pathways for evading barriers to economic transnationalism: access to capital and deployment of strategic social networks. Capital enables entrepreneurs to open multiple branches of their firms, which provides them the opportunity to run the company through one location in case another is compromised due to political instability. Financial capital also allows business owners to hire managers in the Middle East to run the daily operations of their firms, enabling entrepreneurs to avoid travel during unstable periods. However, financial resources are not always enough to overcome these barriers. Social networks with kin and prominent business figures can further ease transnational pursuits.

TRANSNATIONAL ENTREPRENEURSHIP

The touted advantages of transnationalism are pervasive. Transnational economic investments can create housing, businesses, roads, and schools in one’s sending country (Durand, Parrad, and Massey 1996; Massey et al. 1998; Guarnizo and Diaz 1999; Landolt, Autler, and Baires, 1999; Portes and Landolt 2000; Levitt 2001a; 2001b; Vertovec 2001; Guarnizo, Portes and Haller 2003; Guarnizo 2003; Mazzucato 2008; de Haas 2009; Eckstein 2010). In addition to economic aspects, transnationalism also cultivates political (Itzigsohn et al. 1999; Levitt 2001a; 2001b; Smith 2003; Guarnizo,
Portes, and Haller 2003), social, educational, and cultural benefits (Guarnizo and Diaz 1999; Landolt, Autler and Baires 1999; FitzGerald 2000; de Haas 2009). The potential downsides of transnationalism include loss of loyalty toward the host country (Gerstle and Mollenkopf 2001) and consumerism and price inflation in the country of origin (see Guarnizo 2003 for a detailed discussion).

The contexts of an immigrant’s reception in the receiving country and exit from the country of origin can shape transnational activities and these potential outcomes. For example, Portes, Guarnizo, and Haller (2002) compared the transnational business ventures of Colombians, Dominicans, and Salvadorans using data from the Comparative Immigrant Entrepreneurship Project (CIEP). They focused on transnational entrepreneurs, who, while not common among immigrant populations, can have a significant influence on the country of origin. Portes, Guarnizo, and Haller (2002) argue that conditions in one’s sending country can alter a transnational entrepreneur’s major contributions of building transnational ties and stimulating economies.

Portes, Guarnizo, and Haller (2002) found that Salvadorans were slightly more likely than Dominicans to partake in transnational business activities, while Colombians were significantly less likely to engage in such entrepreneurship. Portes, Guarnizo, and Haller (2002) attributed this finding to Salvadorans’ “strong bonds of solidarity with origin communities that were forged during the country’s civil war” (289). Once violence in El Salvador diminished, migrants engaged these networks for business purposes. The authors attribute Colombians’ lower levels of transnational entrepreneurship to Colombia’s unstable conditions, distrust, and drug trade (for a detailed discussion of these conditions also see Guarnizo, Sanchez, and Roach 1999). If
violence, corruption and strong bonds can mediate entrepreneurial activities (Portes, Guarnizo, and Haller 2002), then it is important to ask the entrepreneurs themselves what they see as the intervening factors and how, if at all, these factors can be overcome in the pursuit of transnational entrepreneurship.

Just as conditions in El Salvador, Colombia, and the Dominican Republic may influence transnational entrepreneurship, the receiving country can also play an influential role. Not all immigrants have the support of the receiving government to maintain ties to their country of origin. It is often more difficult for people to travel between the United States and their sending country when that country is seen as a threat to national security and American ideologies (Waldinger and FitzGerald 2004).

Soehl and Waldinger (2010) similarly underscore the importance of receiving country contexts. Using the Pew Hispanic Center’s 2006 survey of Latinos, they discovered that while Cubans’ and Salvadorans’ transnational activities, like sending remittances, resemble those of many other Latin American immigrants, they are less likely than Mexicans and Dominicans to have recently traveled back to their countries of origin. According to Soehl and Waldinger (2010), many Salvadorans are deterred from traveling because they entered the country as unauthorized immigrants. Many Cubans, while in the country legally, are unable to travel with ease due to U.S. restrictions. The authors foresee long-term consequences stemming from these political and legal limitations to travel. Soehl and Waldinger (2010) explain, “the longer one is bordered and the more time elapses before face-to-face contact is renewed, the greater the difficulty in renewing or maintaining the cross-border connection” (1508). Immigrants who left their home countries as a result of war or political upheaval, or who face travel
restrictions from the United States government after arrival, often do not have the opportunity for transnational investment in organizations, homes, and businesses in their countries of origin or the ability to maintain relationships with family and friends who remain. If limitations to travel can have long-term consequences as Soehl and Waldinger (2010) suggest, then it is all the more important to better understand how entrepreneurs understand and cope with limitations, if at all.

In order to be defined as a transnational entrepreneur for this study, one had to have reported investing in a business outside the United States. In every instance, these business ventures were in the Middle East. Several transnational business owners also talked about donating to charities in the Middle East. Every interview subject who reported supporting charities in the Middle East also owned a business there. In order to determine how entrepreneurs conceived of and pursued economic transnationalism, I interviewed entrepreneurs about their transnational investments, communications, travel habits, and support of overseas charities. To supplement these interview findings, I also participated in a local conference on how to start and invest in business ventures in Iraq hosted by the International Trade Administration and Department of Commerce.

LIMITATIONS TO ECONOMIC TRANSNATIONALISM

In interviews, the Arab American entrepreneurs in this study cited monitoring in the United States and political instability in the Middle East as the major impediments to economic transnationalism. Even if one did not have a negative experience with overseas investments personally, business owners often referenced evidence of family members and friends who had suffered after establishing businesses. I now turn to my
respondents’ accounts of the way monitoring in the United States and instability in the Middle East influenced their decisions to participate in transnational business ventures. What is evident throughout many of these discussions is intent to develop transnational businesses as a way to create ties and connections between the United States and the Middle East. The second half of the findings explore how some transnational businesses owners overcame these limitations.

HOST COUNTRY MONITORING

Arab Americans have faced monitoring, questioning, and imprisonment in the United States because of financial, political, and social involvement, or perception of such involvement, in the Middle East. This surveillance has made many entrepreneurs wary of sending money to and establishing business relationships in the Middle East. Interview subjects described a sense of fear that permeated the community following 9/11 and remains today. For example, an Iraqi who owned a taxi company, and professed a deep loyalty to and appreciation for the United States, described being kept in jail for nine days without facing formal charges. In describing how the climate in America had changed for Arab Americans after 9/11, this entrepreneur noted:

You hear a lot of stories of things happening in the U.S. I was driving with a dealer plate and I got pulled over. The officer said he was going to tow the car and that I would have to come tomorrow to get it. He took me to the station and I waited a half-hour and then immigration came and locked me up. My wife is a citizen, my kids are citizens, and I have a green card. After 9/11 you can put an immigrant green card holder in jail for nine days. I was there nine days and eight nights and then they let me go.

This business owner also reported experiencing discrimination and confiscation of property while being held in jail:
When I left to get my property they told me they couldn’t give me my property until the morning, and if I wanted it, then I could either come back in the morning to get it, or stay another night in jail. I decided to leave and then come back in the morning. I had 900 dollars in cash and my wallet and my green card when I went into jail. The guy gave me his number to call the next morning and he said he could meet me near the airport to get my things, and when I called [the jail the next morning] I was told I had nothing, no personal belongings there, and they told me I was in deportation. I went to the FBI and told them what happened and they said, ‘This happened in the U.S.?’ They were shocked that this happened here. They looked into it and said this is a bad guy that did this with a lot of immigrant people. They told me the guy was in jail and they couldn’t get me my things back. They said go to immigration to get your green card and I went there and then I had to pay 175 dollars to get another card and I’ve still been waiting [for five years].

Post-9/11 discrimination was not rare for interview subjects as discussed in Chapter 3. Other entrepreneurs shared their experiences of being questioned by federal and local authorities. Several respondents reported that family members and acquaintances were escorted out of their workplaces and public high schools by local authorities and taken in for questioning. Some of those who were questioned were deported from the United States for seemingly minor violations (e.g. overstaying a Visa). Others were never made aware of why they were questioned or detained. Even if one was not subject to these experiences, knowledge of this possible surveillance and watching others undergo such scrutiny altered the political climate of the community. Additional studies have reported similar findings about the scrutiny Arab Americans have faced since 9/11. Cainkar (2003) estimates that after 9/11, tens of thousands of Arabs and Muslims living in the United States were subject to monitoring in the form of detentions, visits from the FBI, wiretapping, and seizure of property. Furthermore, Howell and Shryock (2003) found that Arab Americans in Detroit reported being discouraged by federal and local authorities and the media from sending money to business ventures, charities, and family members.
in the Middle East. The physical and economic movements of Arab Americans came under close scrutiny as 9/11 highlighted the potential of U.S. residents to fund terrorist organizations and act as terrorists.

These contexts of surveillance in the United States played a role in limiting transnational economic activities. When talking about economic transnationalism, entrepreneurs discussed monitoring in the United States as a factor that curtailed their abilities to send money to the Middle East and develop businesses sending goods between the Middle East and United States.

When asked about her transnational economic activities, an entrepreneur in her thirties, who was born in the United States and ran a media company with several other women in her family, explained how her transnational charitable donations had changed after 9/11: “We have been more picky after 9/11 though. We give to the mosque here and we give to the orphanage that has been approved by the United States government.” The post-9/11 political climate forced Arab Americans to be more cautious about where to make charitable donations. This deliberation was not as important in the pre-9/11 climate because there was less at stake for Arab Americans. Their funds and whereabouts were not under as much scrutiny before 9/11. Additionally, the requirements for questioning and holding people in jail were much stricter after national security policies were implemented in the wake of 9/11. One Lebanese American, who was born in the United States and owned several plant nurseries and florist shops throughout Detroit and the Middle East, best expressed this sense of fear:

Yes, we used to support children in the Middle East, all over the Middle East, with up to 2,000 dollars a month. But after 9/11 that was considered a terrorist activity, and you’ve heard about La Shish?
La Shish was a chain of profitable Arabic food restaurants located throughout Metropolitan Detroit. The restaurants employed over 500 Detroiter and had a loyal following of Arab and non-Arab Americans alike. Many considered the owner, who arrived from Lebanon as a teenager, to be an example of entrepreneurial success. In 2006, the business owner and his wife were indicted for tax evasion and for sending money to charities and orphanages in the Middle East that the United States government considered to be linked to terrorist organizations (Warikoo 2006). The owner fled the country and his wife served jail time. Abandoned La Shish restaurants remain scattered throughout Metropolitan Detroit serving as a reminder to Arab Americans of the potential economic consequences of the new era of national security. The florist and nursery owner who mentioned La Shish in our interview clearly understood the dangers of contributing to charities overseas. He felt that referencing the example of what happened to the La Shish owners provided ample justification for why he and his family had halted all donations to overseas charities.

Another business owner discussed closing his transnational business quickly after he opened it due to the United State’s monitoring and confiscating his shipments from a business in the Middle East to a business in the United States. After having his shipments confiscated, with the goods never returned, he was forced to close the business and abandon his intentions of building a company that would bridge countries and help him develop economic ties between two nations. These examples demonstrate how nation-state policies can affect economic calculations by raising the risks, perceived and actual, of transnational activities.
Other business owners reported that the U.S. and Iraqi governments were similarly trying to control investment opportunities by Arab American entrepreneurs in Iraq and to prevent them from gaining any control of the market. At a meeting of people interested in business investment in Iraq, sponsored by the U.S. Department of Commerce and the International Trade Commission, several Arab American entrepreneurs expressed frustration over bidding for jobs through the government in Iraq. They claimed that while the United States and Iraqi governments encouraged them to apply for jobs in construction, for example, they reported that the application process was purposely designed as too cumbersome and convoluted to make the process of obtaining contracts a reality.

**POLITICAL INSTABILITY AND VIOLENCE IN COUNTRY OF ORIGIN**

Receiving country contexts were not the only components deterring transnational business development, much of Iraq, Lebanon, and the Palestinian territories have been impacted by war, violence, and political upheaval. Political instability and the violence which it stems has helped propel the migration of Iraqi, Lebanese, and Palestinians to the United States over the past century, as detailed in Chapter 2, and has also prevented subsequent cross-border activities.

The instability that encouraged many entrepreneurs of Iraqi, Lebanese, and Palestinian heritage to move to the United States also prevented them from developing businesses in the Middle East despite their intentions to create economic transnational ties. A young Iraqi American hotel owner pointed to the influence of violence as a major obstacle in transnational activities. When asked about transnational investment
opportunities, he responded by describing the experience of his cousin, who had recently moved in with his family:

My cousin came over because his car was shot out. There were people trying to kill him. He packed up and came right after that. There are literally corners where you can go to and give someone 500 bucks and a person’s name and they will kill them for you.

This discussion indicates the close link several business owners saw between physical safety and transnational investment opportunities. When asked about transnational business possibilities, the entrepreneur discusses the possibility of physical danger. Where people are not safe, neither are investments. Typical was one business owner’s curt response, who, when asked if he would invest overseas, responded, “No. I won’t. Because a bomb could come and flatten your business and there is no insurance to cover the costs.” To this business owner and numerous others, the possibility of violence, combined with the lack of institutional support, such as legal recourse and insurance to cover potential losses, detoured potential investments.

When asked if she would consider opening a business in the Middle East, a Palestinian American who migrated to the United States as a teenager and owned a cellular phone store explained how violence had limited her transnational economic opportunities: “It is really bad in Palestine. Things are not the same because of the war. You can’t really do anything back home. It’s very unstable right now.” War and subsequent instability made this entrepreneur’s home community, now located in the Palestinian territories, appear to be an unwise place to develop a business despite her success at starting one in the United States—a country and culture with which she was completely unfamiliar with when she began her entrepreneurial pursuits.
Even among those business owners who were willing and able to invest overseas, it was difficult to find other investors to share such goals. A Lebanese American architect who migrated to the United States in the 1980s and owned a building company explained how fear of potential violence due to political disagreements impacted his ability to obtain funding for a business:

I went to Dubai to try to open a business, one that was in demand: building models for architectural developments. I had investors and I went there with them, but they pulled out. They got scared because the area is not stable, because of the possibility of bombing Iran nearby, because of political reasons. And I couldn’t do it by myself.

This business owner lamented his inability to introduce a service and product that was in high demand in a relatively thriving economy in a country that had experienced little violence. Having developed a viable business plan, traveled to the region, and recruited serious investors, this business owner felt he had suffered a substantial economic blow due to fears that he found unwarranted for the country.

Just as fear of political instability and potential violence superseded the architect’s economic transnational ambitions, fear of political instability also trumped a deep intention to maintain transnational relationships through business activities and travel. One young entrepreneur who had arrived from Lebanon in 1996 and ran a busy bridal shop stated:

The war in Lebanon is very, very bad and you can’t open a business there. There is a possibility that it might get bombed and you lose everything you’ve got. Not that you wouldn’t succeed, but that you’d get bombed and lose everything…I love Lebanon. I’d die for Lebanon. If they give me millions of dollars to go over the world I’d pick Lebanon. All of my aunts and uncles are there and all of my cousins. Here I don’t have anyone.
Without strong family ties in the United States and with a deep love for her native country, the ability to invest in a business in Lebanon and strengthen her transnational ties is important to this business owner. Regular visits to Lebanon in order to maintain business dealings would further strengthen her economic, social, and cultural ties to the country. Yet, she reports that despite her commitment to the country, the threat of violence makes investment in a business in Lebanon impossible.

An additional example of political instability thwarting economic transnational intention is evidenced in the explanation provided by an Iraqi American who migrated to the United States in 1993 and runs a travel agency. He lamented:

If things were to get better, I would probably open a construction company. I’m praying that things get better because I really want to go back and stay there...I really can’t do anything at this point. Iraq used to be a better country economically, the work was great, the education was very good, but the war was what put my country behind. This is why we are here.

It was war and violence that brought this business owner from his home country and, despite his intentions to return and open a business, he reports feeling stuck.

An entrepreneur who opened a restaurant after migrating to the United States in 1973 tried to explain his connection to his home country of Lebanon and how a transnational tie through a business would satisfy his ambitions:

My brother is there right now, looking to open a place. He is studying the area and wants to open a restaurant in Lebanon. It is worth it to put a foothold there. After the summer of 2006 things went back to normal. You are willing to open a business because it is in your blood. You can’t get it out. You can’t bleed it out. You always have an urge to go back. There, there is a different feeling that is hard to describe.

This business owner argued that it was impossible to escape his entrepreneurial drive and his love for Lebanon, even with the threat of violence and war. No matter how
hard he tried to suppress this aspiration, he reported that only by investing in Lebanon could he regain part of himself, or the feeling that was possible only when he was in Lebanon. However, the majority of interview subjects, who similarly expressed an intention to make social and economic connections, found that political instability undermined these motivations.

Governments were also portrayed in discussions as too corrupt to be worth the potential benefits of investment. Typical was the report of an Iraqi American who opened a restaurant in Detroit after migrating to the United States in 2001:

I used to have three tailor stores in Iraq fifteen years ago, but they closed then because of the government. Saddam Hussain took [the stores] because over there... if you don’t like the government you go to jail.

An Iraqi American who migrated to the United States in 1977 and opened a bakery here similarly described how the political climate was hindering transnational investment.

Interviewer: In one interview, someone was talking about investing in land in Iraq. Have you heard about this?
Business Owner: They are dreaming! It’s not true. It is hard to do right now. They are thinking about it, but they are not doing it. There is no accountability. You can’t go to the government and say I own this piece of land. The stronger are stealing from the poor people’s land. You can’t own anything there right now, because it could be taken away.

A twenty-three year old Iraqi American, who owned and ran a hotel, explained how the inability to depend on police or governmental forces to ensure the safety of one’s investments had influenced his family and his thoughts on investing in Iraq. When asked if he would consider opening a business there, he responded:

My cousins just came over from Iraq; they are staying with us for a month. Their dad had a clothing store and people would come in when they were gone and they would break into the store and steal everything out of it and they’d lease it to another person. There is no law there.
Other entrepreneurs pointed to governments hindering business investments through government authorities they viewed as trying to monopolize business profits. One Lebanese American business owner, who came to the United States with his family in 1982 to pursue an advanced degree, had hoped to open a high-end real estate agency in Dubai in the United Arab Emirates (UAE). He explained how the government refused to allow him to start a business because the emirate maintained a monopoly of all similar businesses.

**CREATIVE COPING TECHNIQUES**

Despite these significant limitations created by political constraints, business owners were able to maintain agency through development of certain coping techniques. Entrepreneurs overcame political barriers through increased business spending, which enabled them to open multiple branches of their companies in case they needed to shift business to one location in times of political instability. Additionally, financial capital allowed entrepreneurs to hire employees to run their businesses in the Middle East. Financial resources are not the only response to political constraints in transnationalism. Entrepreneurs also developed and deployed social networks to cope with these barriers.

**FINANCIAL CAPITAL**

One technique my respondents reported for overcoming barriers to establishing transnational businesses was to diversify business locations. The Iraqi American owner of a website design company, who arrived in the United States with the help of the
United Nations after spending nearly three years in a refugee camp in Saudi Arabia, described this technique and the businesses he owns overseas:

    I actually own an import and export business with my brother. It’s based in Iraq, Dubai, and Jordan. We import goods, construction supplies, auto parts and other things to Iraq. . . .My brother and I started the import/export company in Iraq 7 years ago. We thought it would be a good idea to make more money and to try to help our country.

When asked about violence in the region, the business owner admitted that he probably would not live permanently in the area unless “things get better”. He did not travel to Iraq frequently and had not visited in over a year. At the same time, he acknowledged that the violence he wanted to avoid in his living and travel arrangements had not affected business. He explained one reason his business had avoided potential dangers: “Our company is based out of three countries, Iraq, Dubai [UAE], and Jordan. Our facility is in a safe location and not too many people really know where it is located.”

The ability to spread the business out between three locations increased the safety of the corporation. There was no central headquarters that could be destroyed and if one location was affected by war or political instability, business could be transferred to the other two locations. Furthermore, by protecting the exact location of the business and choosing a secure location outside of any main city districts, the business owner felt he had increased the safety of his business investment. It is important to note that creating such a business model may require additional capital and that the business could not be one that would likely need to be centrally located in a populated area or rely on street traffic for business. The business owner admitted that access to capital had allowed for his successful overseas investment: “My brother and I started this business together. When you have a lot of capital, anything is possible in the Middle East.” This quotation
suggests the importance of access to financial capital in overcoming the leading barriers to transnational entrepreneurship in the Middle East.

An additional example demonstrates the importance of multiple locations. As his high-end real estate investment firm in Lebanon became more successful, one entrepreneur decided to open a second office in Dubai to expand his financial opportunities. Following the 2006 Lebanon War, the real estate investor learned that having a supplementary business in the UAE meant much more than running a business in a booming economy. Similar to the entrepreneurs who strategically opened multiple branches of their import and export company, the real estate expert reported that during the war his business in Lebanon was actually able to shift over to the UAE location. His clients in the Middle East traveled to his offices in the UAE because they were unable to reach his office in Lebanon or wanted to avoid travel within the country. The ability to open a second location and move operations to that business in times of upheaval and violence proved invaluable and allowed him to keep his clients, and maintain his income and employees, during the war.

Financial capital was also used to hire management corporations to assist with one’s transnational businesses. The Lebanese American who owned a chain of plant nurseries and florist shops throughout Detroit explained: “Yes, we have farms, flower shops, and real estate in Lebanon. A private company runs it.” The entrepreneur was so confident in the corporation running his transnational businesses that he explained, “If we [the members of the family] were gone it [the stores] would still run.” By hiring a corporation to run his farms and flower shops, the business owner did not have to worry about daily operations or staffing issues and had not traveled to check on the businesses
in over five years.

**SOCIAL NETWORKS**

Social ties with family in the Middle East assisted in developing transnational businesses without necessitating the extra capital to invest in multiple businesses or hiring a corporation to run one’s business. One Lebanese entrepreneur who operated a media company in the United States explained how her family managed to develop transnational investments by owning a business in Lebanon despite the barriers:

Business Owner: My dad owns a restaurant, of all things, in Lebanon. He opened it fifteen years ago. It is supporting his nieces and nephews and they run the business for us.
Interviewer: How often do you travel?
Business Owner: My dad goes once a year. I went last summer, but before that I hadn’t gone in five years.

By relying on extended family to manage and run the restaurant, her family had been able to maintain a long-term and stable transnational business and employ family members in Lebanon. Social connections with kin who remain in the country of origin made it possible for her family to run a business. By relying on family networks, her father only had to travel for business once a year and could skip trips during times of political upheaval.

Others acknowledged that social networks in the Middle East enabled them to reap financial benefits from businesses without being involved in the business at all. One entrepreneur who arrived in the United States in 1990 reported that he owned a dry-cleaning business in Lebanon with his brother, but had never even been to his business:
“I’ve never been there [Lebanon] when the business was there…[M]y brother is there and he runs everything.”

In addition to relationships with kin who remained in the Middle East, relationships with prominent business owners also enabled transnational entrepreneurs to cope with political constraints. The owner of the real estate investment company in Lebanon and the UAE faced resistance from the government in Dubai and was initially prevented from opening a second location of his company due to the government maintaining partial ownership of similar firms. As a result, the entrepreneur decided to open his firm in a nearby city. After frequently traveling to the alternative city for work, he was able to begin to develop social networks with prominent business families in Dubai. After becoming embedded in social networks with Dubai business members, the real estate entrepreneur was then allowed entry in the market and was able to open an additional office of his real estate investment firm in Dubai.

CONCLUSIONS

Interviews with entrepreneurs of Iraqi, Lebanese and Palestinian heritage suggest that both sending and receiving states play an influential role in curtailing transnational business investments which, according to previous scholarship, have the potential to benefit both sending and receiving communities (Durand, Parrad, and Massey 1996; Landolt, Autler, and Baires 1999; Portes 2001; Guarnizo 2003b; Mazzucato 2008). Entrepreneurs report that political constraints in the United States and the Middle East hamper their strong transnational intentions. Surveillance of the funds, whereabouts, and business goods of Arab Americans by the United States government serves as a deterrent
to economic transnationalism. Furthermore, state actors in the Middle East play a role. Political instability that can produce corruption and violence serves as an additional barrier to those erected by the receiving country.

These entrepreneurs faced political constraints in the form of violence, corruption, and monitoring, but this does not mean that they are without economic transnational opportunities. Arab Americans in this study continue to maintain transnational intentions and develop business plans for transnational ventures that will further link them to their sending countries. Additionally, some are able to implement creative coping strategies to overcome political constraints. Financial capital can help entrepreneurs bypass state barriers. By opening multiple branches of the same business throughout a region, business owners can shift operations from one location to the other in cases of political upheaval and violence. Capital also enables entrepreneurs to hire private firms to run corporations in the Middle East and ensures that entrepreneurs will not have to travel to take care of business matters during times of political upheaval and violence. Financial capital is not the only factor that assists in overcoming state barriers; strategic social networks are also instrumental for entrepreneurs’ navigation of tight political controls. Family networks with kin who remained in the Middle East proved essential in opening transnational businesses and prevented the owner from traveling in times of political instability. These family networks also enabled entrepreneurs to develop businesses without the financial capital needed to hire private companies. Additionally, social networks, which included those with prominent entrepreneurs in the Middle East, proved more important than financial capital in overcoming some political barriers.
Several implications stem from the use of these coping techniques. First, by opening and shifting between multiple business locations and opting for areas that seem safer or are more isolated, Arab American transnational entrepreneurs, and other ethnic groups who face similar constraints on transnationalism, will impact global economy formation (for a detailed discussion on similar processes see Castelles 2010; Sassen 2006, 2001). Second, by implementing coping mechanisms that prevent frequent travel through reliance on kin networks or private companies, transnational entrepreneurs who face political constraints may not travel as frequently as those transnational entrepreneurs who face no such limitations. Reliance on this technique has implications for the cross-border ties the entrepreneur is able to maintain as research on the economic, social, and political benefits of transnationalism stresses the importance of frequent travel. Third, while transnational entrepreneurship requires both social and financial resources and networks (Portes, Guarniz, and Haller 2002) having to open multiple locations for one business, employ corporations to run businesses, and rely on kin and prominent business owners in order to overcome political constraints will be easier for those with the greatest financial and social resources. The long-term implications of political constraints on transnationalism and the coping strategies developed in response to these constraints shape both Metropolitan Detroit and the Middle East.
CHAPTER 7: CONCLUSION

INTRODUCTION

In order to examine the role of religious identities and communities in economic action, I selected a religiously and ethnically diverse ethnic economy of Lebanese, Iraqi, and Palestinian Americans of Christian and Muslim religious faiths. What made this community unusual from Arab American communities in the Middle East and America at large is that nearly half of the Lebanese, Iraqi, and Palestinians in Detroit is Christian while the other half is Muslim. I was lucky to find such an ideal case to address my research question. Such religious and ethnic diversity allowed me to attempt to distinguish between the business relationships people develop with others based on religious identities and communities and those established with others as a result of ethno-national origins.

OVERLAPPING IDENTITIES

Despite the fortuitous discovery of a thriving ethno-nationally and religiously diverse ethnic economy, studying religion within ethno-national communities and a panethnic group proved to be no easy task. The community did not divide as neatly along religious and ethnic lines as survey data might suggest. Some Iraqi Christians preferred the religious/ethnic identity of Chaldean and did not consider themselves part of the ethno-national Iraqi identity due to religious and cultural differences. Some Palestinians had spent time in Jordan before migrating the U.S. and reported a Jordanian/Palestinian ethno-national identity. Interview subjects accepted panethnic identification when asked to identify on surveys and commonly rejected these identities.
in interviews. Others questioned if their ethno-national heritage should shift as boundaries between countries in the Middle East shifted. These complexities made this work challenging and all the more interesting.

Likely due to the complexity of ethno-national and religious identities and the relationship between the two, very little academic work has been done to empirically examine these identities separately. With rare exception (Bozogemhr 1997), academics have not attempted to distinguish ethno-national communities and identities from religious communities and identities in fields both related to and outside of business. Moreover, as I argue in this dissertation research, religious scholars and scholars of race and ethnicity actively conflate these two identities and communities.

With this dissertation research, I found that religious, ethnic, panethnic, and kin groups overlapped. Entrepreneurs developed relationships with those who shared their ethno-national origins and religious faiths. Kin, with rare exception, shared the religious and ethno-national communities of entrepreneurs. Entrepreneurs conducted business with those with whom they shared bonds based on family, ethno-nationality, religion, and panethnicity. Relationships were established on these multiple reinforcing levels, which further enhanced the strength of these relationships and levels of trust.

The overlap in these communities was one of the major, though perhaps not very surprising, findings of this research. The second major finding was that subjects talked about the contributions of each identity and community differently. This finding encouraged me to dig deeper and continue to attempt to empirically separate these overlapping groups. Entrepreneurs were able to distinguish between the benefits offered by ethno-national origin, panethnicity, religion, and family, which illustrated the
importance of systematically capturing and analyzing these differences. These
differences are summarized in Table 4.1 in Chapter 4.

Ethno-national groups developed business networks and entrepreneurs explained
that ethnic heritage encouraged them to pursue entrepreneurship. Panethnic bonds helped
form panethnic organizations, such as the Arab American Chamber of Commerce, while
assigned panethnic identifications, commonly associated with negative stereotypes,
further strengthened ethno-national and religious communities. Religious communities
shared religious moral codes that enforced good business behavior and religious leaders
spread information about entrepreneurs and gave business related advice. Kinship proved
essential in the business startup experience through training and loans. Family members
also employed one another and sacrificed to support each other in business.

Research on ethnic economies argues that ethnic businesses are successful
because of co-ethnic bonds. I argue that the entrepreneurs included in this study were
successful because of shared ethno-national bonds, panethnic organizations (not active
identification with the panethnic group), religious moral codes, and family support. The
fact that communities overlapped and kin shared religious faith and ethno-national origin
made these connections all the stronger.

The importance of ethno-national and religious identities is exemplified by the
fact that Arab American entrepreneurial families stressed finding marriage partners who
shared the same ethno-national and religious communities. This project did not collect
systematic data on marriage and dating. There were no questions on marriage partners
or dating experiences in the interview guide. However, based on the data that were
offered on these practices in interviews and my observations of relationships in the
community, it was rare for people to marry outside of their ethno-national group or their religious community. This finding demonstrates the merits of future research on marriage practices in entrepreneurial families. As immigrants assimilate and gain acceptance in mainstream American culture, intermarriage increases (Alba and Nee 2003). It would be valuable to further explore if these marriage patterns vary for ethnic entrepreneurs.

RELIGIOUS CAPTIAL

The third major finding from this research is that religion played an independent role from ethnicity in relationships with family, business partners, and other-ethno-nationals. In discussions of marriage, entrepreneurs stressed the importance of religion over ethnicity in partner selection. In discussions of business, entrepreneurs stressed the importance of shared religious communities when doing business with those who were also members of their ethno-national group. Lebanese Muslims networked with other Lebanese Muslims, for example, and explained these connections to be due to shared religious faith rather than shared ethnicity. Religious leaders, organizations, and events allowed entrepreneurs to spread business related information. Doing business with members of one’s religious community proved important because entrepreneurs reported greater levels of trust among religious community members than among members of the same ethno-national group, but different religious faiths. It was so important in fact to conduct business within one’s religious community that entrepreneurs developed signaling techniques to make their religious faith clear to customers. Entrepreneurs also reported that when their religious community membership was not clear, customers
would ask them or other employees, suggesting the importance of bounded solidarity along religious lines. As Chapter 4 demonstrated and is summarized in Figure 4.5, the mechanism of shared religious moral codes—which makes religious capital different from ethnic capital—is what allowed for greater levels of trust and profit among entrepreneurs of the same religious communities. Shared religious moral codes provide guidelines for business actions. When these guidelines are broken, entrepreneurs faced sanctions from the religious community and religious leaders.

By not exploring the role of religious capital and shared religious moral codes in the ethnic entrepreneurial process, it is likely that previous studies have mistakenly credited ethnicity with providing the benefits and strength of ties in business, when in fact religious capital is also responsible for entrepreneurial success through a different mechanism than ethnic capital. I hope that this finding can be further explored into other research fields. The theory of religious capital outlined here has many potential contributions for future research in and outside of entrepreneurship.

This dissertation research underscores the influence of religious capital in entrepreneurship, but future research should consider how religious capital might alter other non-religious spheres of ethnic groups, such as educational attainment, political mobilization, child rearing, and job hunting. Previous research has rarely attempted to distinguish between ethnic and religious capital and instead seen them as one and the same, this dissertation demonstrates the possibility of untangling these two identities, and most importantly, the importance of doing so. It is likely that religious capital may play a different role than ethnic capital in the political mobilization, or job searches of ethnic and immigrant groups, for example.
RELIGIOUS LEADERS

Another major component of religious capital concerned the role of religious organizations and leaders in entrepreneurship. Few studies of ethnic economies have incorporated research on religious leaders. Research on ethnic economies routinely discusses the role of ethnic organizations, language schools, and ethnic leaders, and ethnic traditions in the entrepreneurial process. By examining the role of both the religious community and religious beliefs, this study underscores the importance of religious leaders in shaping economic outcomes through assisting in business network development and the enforcement of shared religious moral codes. Moreover, religious organizations sponsored events that connected entrepreneurs and put business products and skills on display. These findings suggest that future studies should further examine the role of religious organizations separately from ethnic organizations. This conclusion suggests that entrepreneurs cannot just be studied in research on the economy, but the larger communities and networks in which they are involved must be analyzed as well. Although divides between religious and business leaders are documented (Nash and McClellen 2001), future research on ethnic entrepreneurship will benefit from further inquiry into the role of religious organization leadership.

OTHER ENTREPRENEURIAL GROUPS

This dissertation also illustrates the importance of considering the role of religion in future research on both immigrant and non-immigrant entrepreneurs. It is likely that religious identities, religious leaders, and religious networks play a more influential role in entrepreneurship than previous studies suggest due to shared religious moral codes of
conduct. Applying the concept of religious capital to research on entrepreneurs without strong ties to ethnic communities will allow future researchers of entrepreneurship to fully explore the influence of religious communities on business. In this research, entrepreneurs do business with ethno-nationals who share their religious communities and are often kin, whereas applying an analysis of religious capital to the entrepreneurial process in which entrepreneurs likely share only one overlapping community (e.g. religion) will provide further insight into the function of the religious capital mechanism. Such a comparative project will clarify how entrepreneurial endeavors, among those who are not tied by shared ethnic communities, might be different from or similar to ethnic entrepreneurship.

METHODOLOGICAL CONTRIBUTIONS

In order to come to these findings on ethnic and religious capital, I combined network data analysis with observations and interview findings. An additional contribution of this dissertation for future research concerns network data. Recent sociological research on networks focuses on the number of networks and the frequency of interactions between network members. This dissertation highlights the importance of also collecting data on why people have incorporated the network members they have and the role these network members play in the lives of entrepreneurs.

The network data in this study—while limited in the number of ego-centric networks sampled—clarifies the role of both shared ethno-national and religious communities in business networks. It demonstrates that entrepreneurs tend to form networks with, hire, and obtain loans from co-ethnics who share their religious
communities instead of the larger panethnic group. However, it is only by talking with entrepreneurs about why they selected network members and asking other community members, such as religious leaders and ethnic organization leaders, about their role in and observations of business network formation, that the importance of religion emerges. Entrepreneurs report forming networks with people of the same religious faiths due to interactions in religious organizations, instances of bounded solidarity, experiences with sharing information, and feelings of trust, which are linked to shared religious moral codes. Without collecting data on these explanations, this study, like several before it, would have likely concluded that religion and ethnicity reinforce one another and are overlapping identities.

**TRANSNATIONAL CONCERNS**

A final contribution of this research extends to entrepreneurial development in the Middle East. Business owners are important contributors to economic development and charitable and political organizations in their countries of origin (Portes, Guarnizo and Haller 2002). Additionally, successful entrepreneurs in the United States have established the necessary skills and experience to open additional businesses. The entrepreneurs included in this study could have a major impact on economic development and growth in the Middle East. Arab American entrepreneurs face business challenges both in the U.S. and Middle East. In domestic business operations, entrepreneurs rely on co-ethnics, religious community members, and kin to ease the entrepreneurial process. In the Middle East, entrepreneurs still rely on kin, but panethnic networks and relationships become much more important. Additional research will be necessary to further explore
how different responses arise from domestic and international challenges as well as how transnational panethnic ties might alter panethnic relationships in the U.S. This will be an important topic to consider in future research.

**GENERALIZABILITY**

Immigrants and native-born minority group members experience marginalization and discrimination in the U.S. As a result, they often seek to fight against alienation through understanding and gaining acceptance from the majority (Camus 1942; Schuetz 1944). Migrating to and gaining acceptance in a new country is a complex process. For example, Arab Christians throughout the Middle East represent a minority group subject to political, religious, and social inequality despite being born and raised in the region. Moving to the United States allows Christian Arabs to join the majority religious group, yet their appearance still marks them as outsiders subject to stratification and feelings of alienation. This phenomenon extends to other ethnic and religious groups as well and is not new. For example, upon arrival to the United States, Irish Catholics were labeled as religious and ethnic outsiders and subjected to various levels of discrimination. To add complexity to this stratification, in instances when Irish Catholic Churches were burned down, German Catholic Churches in the same neighborhoods were spared (Herberg 1955). Such acts suggest that the ethno-national origin of the Irish further conflated the discrimination they faced based on their Catholic religious practices. Catholics were viewed negatively, but German Catholics were viewed more positively than the Irish Catholics. Yet, Catholic, Irish, and German identities were all accepted into the American mainstream relatively quickly.
This dissertation research allowed me to understand the stratifying practices associated with religion and ethnicity in the lives of Christian and Muslim Iraqi, Lebanese, and Palestinian Americans through an analysis of entrepreneurial practices. This dissertation has demonstrated that there is a wealth of diversity among Iraqi, Lebanese, and Palestinian Americans, and Christians and Muslims who are grouped into the Arab American category, and yet this group shares immigration histories and experiences with marginalization based on appearance and religious faith. These experiences contribute to business life organizing along ethno-national and religious lines and to the power of religious capital and shared religious moral codes within these relationships.
APPENDIX

INTERVIEW GUIDE

Date
Number-Name
Business
Education
Ethnicity, Religion
Age
Year Migrated

Business Startup Questions

How did you start your business?
Is this the first business you have owned?
How long have you owned this business?
Who helped you establish your business?
Where do you get your supplies? Who are your suppliers?
What language do you speak with your suppliers?
Where did you get the funding to start your business?
As a business owner, what are some of the major challenges you face?
Who are your employees? How do you find employees?
Who are your customers? How do you attract customers?

Migration Questions

Do you live near your business?
How, why and when, did you, or your family, migrate to the US?
Did your family, friends, or an organization facilitate your move to the US?

**Language Questions**

Do you speak Arabic? In what languages do you conduct business?

**Organization Questions**

Are you a member of the Arab or Chaldean American Chamber of Commerce?

Are you a member of any business organizations? Active?

Are you a member of any ethnic organizations? Active?

Are you a member of any religious organizations? Active? (What Church or Mosque?)

**Ethnic Identity Questions**

What do you consider your primary ethnic identity? If you were filling out a census, for example, what would you put?

Are there certain times when you would be more likely to identify with one identity versus the other?

Have you ever experienced any hardships or prejudice because of perceived ethnic differences?

Do you think your ethnicity helps or hurts your business?

**Religious Identity Questions**

In what religious faith were you raised?

What church/Mosque do you belong to?

Do you consider yourself active? Do you fast, attend services, pray, volunteer?

Do you think the fact that you are Muslim/Christian helps or hurts your business?

**Transnational Business Questions**

Do you ever travel to the Middle East?
Do you own any business overseas?

Would you consider opening a business overseas?

How often do you travel to the Middle East?

Would you retire there?

How often do you talk to people in the Middle East?

Do you invest in any organizations overseas?

If you own a business overseas:

  How did you start it?

  When did you open it?

  What are the difficulties of running a business overseas?

  How have conflicts in the Middle East affected your business?

  Did the government in the country where you own a business help you in establishing your business?

  How does owning a business overseas compare with owning a business here?

Network Questions

List the 3 most important people to your business (you don’t have to provide full names)

What role does each person play?

How often are you in contact with each person?

What is the religion and ethnicity of each person?

How would you describe your relationship with each person (business, personal, etc)

Referral Questions

Is there anyone you know who might be interested in being interviewed for this research?

Stories
REFERENCES


Orfalea, Gregory. 1988. Before the Flames: A Quest for the History of Arab Americans, Austin, TX: University of Texas.


